



CORPORATE LAWS & CORPORATE GOVERNANCE COMMITTEE
The Institute of Chartered Accountants of India
(Set up by an Act of Parliament)

PART-II

August 2020 to June 2021

A stack of three books is shown, with a red pen resting on top of the top book. The books are titled 'COMPLIANCE', 'REGULATIONS', and 'STANDARDS' from top to bottom. The background is a blurred image of a modern building with a glass facade.

COMPLIANCE
REGULATIONS
STANDARDS

RELAXATIONS FROM REGULATORY COMPLIANCES DUE TO OUTBREAK OF COVID- 19 PANDEMIC



Composition of the Corporate Laws & Corporate Governance Committee for the year 2021-2022

Council Members

- CA. Shriniwas Y Joshi, Chairman
- CA. Anuj Goyal, Vice-Chairman
- CA. Nihar N Jambusaria, President (Ex-officio)
- CA.(Dr.) Debashis Mitra, Vice-President (Ex-officio)
- CA. Jay Chhaira
- CA. Prafulla P Chhajer
- CA. Tarun J Ghia
- CA. Nandkishore C Hegde
- CA. Dheeraj Kumar Khandelwal
- CA. Chandrashekhar V Chitale
- CA. Durgesh Kumar Kabra
- CA. Aniket S Talati
- CA. Dayaniwas Sharma
- CA. Prasanna Kumar D
- CA. G Sekar
- CA. M P Vijay Kumar
- CA. Ranjeet Kumar Agarwal
- CA. Manu Agrawal
- CA. Prakash Sharma
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- CA. (Dr.) Sanjeev Kumar Singhal
- CA. Charanjot Singh Nanda
- Shri Sunil Kanoria
- Shri Chandra Wadhwa
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- Adv. Vijay Kumar Jhalani

Co-opted Members

- CA. Man Mohan Kejriwal
- CA. Vijay Gupta
- CA. B M Agrawal
- CA. Aatman Shah
- CA. S Sundar Raman
- CA. Jatinder Sharma
- CA. Alope Roy
- CA. K Sethuraman
- CA. Santosh Kenkare

Special Invitees

- CA. Deepa Agarwal
- CA. Gopal Khetan
- CA. Sethuraman Sivaramakrishnan



Message

At the onset, we all have experienced the grave hardships caused to the mankind due to the global pandemic viz Covid-19. Financial woes and economic catastrophe brought by a single year has astounded the whole nation, and its continuous impact is unimaginable. Disruption of work, academic pursuits, massive fall in the revenue and profits of businesses, loss of employment and professional opportunities are a few concerns which many people in the economy are facing.

To overcome the impact of challenges being faced by the corporates, Indian Government along with MCA and SEBI has taken several measures like deferment of CARO's applicability, extension of filing annual audited financial statements; relief for MSMEs & NBFCs, fiscal stimulus of upto Rs. 2 lakh crores to needy people through Aadhar based transfer.

I congratulate CA. Shriniwas Y Joshi, Chairman and CA. Anuj Goyal, Vice Chairman of the Corporate Laws & Corporate Governance Committee for taking this initiative to compile and bring a booklet of the various relaxations provided by the Regulators so that the members and corporates can comprehend them better. The Committee has also issued FAQs and Announcements on various relaxations in an easy to understand manner.

CA. Nihar N Jambusaria
President, ICAI





Preface

Coronavirus (COVID-19), a virus that grew insidiously has become one of the deadliest viruses which have adversely impacted the people, including businesses worldwide.

After one full year from the time when stringent lockdown was first put in place, various States are again imposing curbs and curfews to restrict interaction as a measure to stop the spread of the disease, which has posed unprecedented challenges before all the stakeholders in the corporate world.

Nonetheless, Indian Government with its continuous efforts is consistently undertaking numerous endeavours to overcome the challenges faced by the stakeholders in conducting business in these turbulent times.

Considering the various measures taken by the Government for the benefit of corporate sector and the stakeholders, the Corporate Laws & Corporate Governance Committee of ICAI had earlier issued “Relaxations from Regulatory Compliances due to Outbreak of COVID-19 pandemic” wherein the array of measures taken by the Government has been compiled.

In light of the various measures undertaken by the Government due to the second wave of Corona Virus, the Committee has planned to issue Part II of this publication. This will facilitate quick and unified reference to all the measures to provide ease of compliance.

Corporate Laws & Corporate Governance Committee desires to acknowledge CA. Nihar N. Jambusaria, President, ICAI and CA. (Dr.) Debashis Mitra, Vice-President, ICAI for providing encouragement and support in this mission.

CA. Shriniwas Y Joshi

Chairman
Corporate Laws & Corporate
Governance Committee

CA. Anuj Goyal

Vice-Chairman
Corporate Laws & Corporate
Governance Committee





Background

The Government of India has released various measures granting financial and legal relaxations to companies to combat with covid 19 outbreak.

Businesses in India are saddled with various routine and event based procedural compliances under the Corporate Laws.

On this background and due to Lock down situation in the Country stakeholders were expecting aggressive relaxation measures from MCA.

In light of the pandemic circumstances the Ministry of Corporate Affairs (MCA) and other regulators have conceded certain relaxations from administrative compliances for the corporates. We have summed up a portion of the key relaxations and measures which have been announced by the Ministry of Corporate Affairs (MCA) and Securities and Exchange Board of India (SEBI).

The subtitles are recorded.





Circulars & Notifications (Part-II)

Relief Measures by Ministry of Corporate Affairs (MCA) (August 2020 to June 2021)

1.

Clarification on Extension of Annual General Meeting (AGM) for the financial year ended as at 31.03.2020

2.

Relaxation of additional fees and extension of last date of filing of CRA-4 (Form for filing of cost audit report) for FY 2019-20

3.

Extension of Companies Fresh Start Scheme, 2020

4.

Extension of LLP Settlement Scheme, 2020

5.

Extension of time - Scheme for relaxation of time for filing forms related to creation or modification of charges under the Companies Act, 2013

6.

Clarification on passing of ordinary and special resolutions by companies under the Companies Act, 2013 read with rules made thereunder on account of COVID-19- Extension of time

7.

Clarification with regard to creation of deposit repayment reserve of 20% u/s. 73(2)(c) of the Companies Act, 2013 and to invest or deposit 15% of amount of debentures u/r. 18 of Companies (Share Capital and Debentures) Rules, 2014 – COVID-19

8.

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 extension of CFSS, 2020

9.

Special measures under the Companies Act 2013 and LLP Act 2008 in view of COVID-19 outbreak

10.

Extension of applicability of CARO, 2020

11.

Relaxations by the MCA till 31st December, 2020 for inclusion of the name of Independent Directors in the Independent Directors Data Bank

12.

Extension of date for conducting Board Meeting through VC/OAVM

13.

Clarification on spending of CSR funds for Awareness and public outreach on COVID-19 Vaccination Programme



14.

Clarification on holding of AGM through VC (Video Conferencing) or OAVM (Other Audio Visual Means)

15.

Scheme for condonation of delay for companies restored during Dec 2020 u/s 252 of the Companies Act, 2013

16.

Extension of filing of e-form AOC-4, AOC-4 (CFS), AOC-4 XBRL and AOC-4 Non XBRL for the FY 2019-20 upto 15th Feb 2021

17.

Clarification on spending of CSR funds for setting up makeshift hospitals and temporary COVID Care facilities

18.

Relaxation on levy of additional fees in filing of certain Forms under the Companies Act, 2013 and LLP Act 2008

19.

Relaxation of time for filing forms related to creation or modification of charges under the Companies Act, 2013

20

Clarification regarding gap between two board meetings under section 173 of the Companies Act, 2013

21.

Clarification by MCA regarding spending of CSR funds for 'creating health infrastructure for COVID care', 'establishment of medical oxygen generation and storage plants' etc

22.

Clarification on offsetting the excess CSR spent for FY 2019-20

Securities and Exchange Board of India (SEBI)

1

Relaxation in processing of documents pertaining to FPIs due to COVID-19

2

SEBI extends the Settlement Scheme 2020

3

Relaxation by SEBI for non-submission of hard copy of Annual Report to Shareholders and dispensation from sending proxy forms in case meeting is held electronically by Listed Entities till 31.12.2021 due to the COVID-19 pandemic.

4

Relaxation from compliance with certain provisions of the SEBI (Listing Obligations Disclosure Requirements) Regulations, 2015 due to the CoVID-19 pandemic.

5

Relaxation from compliance with certain provisions of the SEBI (Listing Obligations Disclosure Requirements) Regulations, 2015 / other applicable circulars due to the CoVID-19 pandemic- Entities which have listed their debt securities/bonds

6

Addendum to SEBI Circular on "Relaxation in adherence to prescribed timelines issued by SEBI due to Covid 19"





Relaxations from Regulatory Compliances due to Outbreak of Covid-19 (August 2020 to June 2021)

The Corporate Laws & Corporate Governance Committee had earlier released the Initiatives and Measures, the Government of India had undertaken in order to mitigate the hit on the economy and provide some relief to the Companies and Limited Liability Partnership firms, in the times of the pandemic.

In continuation to the same further initiatives undertaken by the Government of India from August 2020 till June 2021 have been enumerated below:-

Ministry of Corporate Affairs (MCA)

1. Clarification on Extension of Annual General Meeting (AGM) for the financial year ended as at 31.03.2020

Taking into account the pandemic situation in the country, the Ministry of Corporate Affairs had issued a circular on 17th August, 2020 extending the due date for conducting the Annual General Meeting (AGM) by the companies.

The Circular stated that the companies which were unable to hold their AGM for the financial year ended on 31.03.2020; despite availing the relaxations provided in the G.C. 20/2020 ought to file their applications in form no. GNL-1 for seeking extension of time in holding of AGM for the financial year ended on 31.03.2020 with the concerned Registrar of Companies on or before 29.09.2020.

In this regard, the Registrars of Companies were also advised to consider all such applications (filed in Form No. GNL-1) liberally in view of the hardships faced by the stakeholders and to grant extension for the period as applied for (up to three months) in such applications.

Circular No. 28/2020

Circular Dated -17.08.2020

The link of circular no 28/2020 is as given below:

<https://www.mca.gov.in/bin/ebook/dms/getdocument?doc=MTM00Tc=&docCategory=NotificationsAndCirculars&type=download>

2. Relaxation of additional fees and extension of last date of filing of CRA-4 (Form for filing of cost audit report) for FY 2019-20

The Rule 6(5) of the Companies (cost records and audit) Rules, 2014 prescribes every cost auditor to forward his duly signed report to the Board of Directors (BOD) of the company within a period of 180 days from the closure of the financial year to which the report relates.

However, due to the large scale disruption caused by the Covid-19 pandemic, the Ministry of Corporate Affairs vide its circulated dated 10th September, 2020 had extended the time period for filing cost audit report for the financial year 2019-20 by the cost auditor to the BOD of the Company upto 30th November, 2020 and consequently the cost audit report was allowed to be filed in e-form CRA-4 within 30 days from the date of receipt of the copy of the cost audit report by the company.

Further, it provided that, in case a company had availed extension of time for holding AGM then e-form CRA-4 may be filed within the timelines provided under the proviso to rule 6(6) of the above said rules.

**Circular No. 29/2020**
Circular Dated -10.09.2020

The link of circular no 29/2020 is as given below:

<https://www.mca.gov.in/bin/ebook/dms/getdocument?doc=MTM00TU=&docCategory=NotificationsAndCirculars&type=download>

Considering the continued impact of COVID-19 pandemic, the Ministry of Corporate Affairs had further extended the aforesaid timeline of 30th November, 2020 to 31st December, 2020 for submission of cost audit report by the cost auditor to the BOD of the Companies for the financial year 2019-20.

Circular No. 38/2020
Circular Dated -01.12.2020

The link of circular no 38/2020 is as given below:

<https://www.mca.gov.in/bin/ebook/dms/getdocument?doc=MTMONzU=&docCategory=NotificationsAndCirculars&type=download>

3. Extension of Companies Fresh Start Scheme, 2020

The Ministry of Corporate Affairs introduced the Companies Fresh Start Scheme, 2020 on 30th March, 2020 which provided a first of its kind opportunity to companies to make good any filing related defaults, irrespective of duration of default, and make a fresh start as a fully compliant entity. The scheme was introduced to condone the delay in filing the specified documents with the Registrar, insofar as it relates to charging of additional fees, and granting of immunity from launching of prosecution or proceedings for imposing penalty on account of delay associated with certain filings.

The scheme gave an opportunity to inactive companies to get their companies declared as 'dormant company' under section 455 of the Act by filing a simple application at a normal fee. The said provision enabled inactive companies to remain on the register of the companies with minimal compliance requirements.

However, the exemption was only for delayed filings and not for substantive violations of law.

Circular No. 12/2020
Circular Dated -30.03.2020

The link of Circular no 12/2020 is given below:

<https://www.mca.gov.in/bin/ebook/dms/getdocument?doc=MTM1OTQ=&docCategory=NotificationsAndCirculars&type=download>

Considering that the stakeholders were still facing significant challenges in undertaking the Companies functions smoothly, the MCA on 28th September, 2020 had extended the aforementioned scheme till December 31, 2020.

Circular No. 30/2020
Circular Dated -28.09.2020



The link of Circular no 30/2020 is given below:

<https://www.mca.gov.in/bin/ebook/dms/getdocument?doc=MTM00TM=&docCategory=NotificationsAndCirculars&type=download>

ICAI had also issued FAQs on CFSS, 2020 for the benefit of its members and other stakeholders.

The link of the FAQs on the Companies Fresh Start Scheme, 2020 issued by ICAI is given below:

<https://resource.cdn.icai.org/58908clcg48020.pdf>

With regard to the Companies Fresh Start Scheme, 2020 (CFSS-2020) as mentioned above, the application for seeking immunity in respect of belated documents filed under the CFSS Scheme had to be made electronically in the Form CFSS-2020 after closure of the scheme i.e. 31.12.2020 and after the documents are taken on file, or on record or approved by the Designated Authority as the case may be but not after 30th June' 2021 i.e. the expiry of six months from the date of closure of the Scheme.

In this regard, the MCA informed that the CFSS 2020 Form is available for filing as e-form w.e.f. 16th January, 2021 for all the stakeholders.

The benefit of this scheme is no longer applicable for the various filings under the Companies Act, 2013 for the current period; only the benefit in respect of filing form-CFSS 2020 is available with the Companies.

4. Extension of LLP Settlement Scheme, 2020

The Ministry of Corporate Affairs had introduced the LLP Settlement Scheme 2020 to scale back the compliance burden by the LLP due to the pandemic situation. The scheme provided a one-time opportunity to the LLPs to file their annual returns after the prescribed time limits mentioned in the LLP Act, 2008 by paying the regular fees prescribed for such returns.

The LLP Settlement Schemes introduced were as follows

- i. Original Scheme launched on 4th March, 2020 - Applicable from 16th March, 2020 to 31st March, 2020 (both inclusive)

Circular No. 06/2020

Circular dated -04.03.2020

The link of circular no 06/2020 is given below:

<https://www.mca.gov.in/bin/ebook/dms/getdocument?doc=MTI5MTA=&docCategory=NotificationsAndCirculars&type=download>

- ii. Scheme re-launched on 30th March, 2020 - Applicable from 1st April, 2020 to 30th September, 2020 (both inclusive)

Circular No. 13/2020

Circular dated -30.03.2020

The link of circular no 13/2020 is given below:

<https://www.mca.gov.in/bin/ebook/dms/getdocument?doc=MTM1OTM=&docCategory=NotificationsAndCirculars&type=download>



The applicability of the Scheme was further extended till 31st December, 2020, in view of the compliance difficulties faced by the businesses caused due to Covid-19.

Circular No. 31/2020**Circular dated -28.09.2020**

The link of circular no 31/2020 is given below:

<https://www.mca.gov.in/bin/ebook/dms/getdocument?doc=MTMOOTI=&docCategory=NotificationsAndCirculars&type=download>

The Ministry of Corporate Affairs on 9th November, 2020 further extended the timeline for filing belated documents which were due for filing till 31st August 2020 to 30th November 2020 Accordingly, extension was also granted for furnishing of financial statement for the F.Y. 2019-20.

Also, it was provided that if the statement of account and solvency for the financial year 2019-2020 which had been signed beyond the period of six months from the end of financial year but not later than 30th November, 2020, the same would not be deemed as non-compliance.

Circular No. 37/2020**Circular Dated -09.11.2020**

The link of circular no 37/2020 is given below:

<https://www.mca.gov.in/bin/ebook/dms/getdocument?doc=MTMONzY=&docCategory=NotificationsAndCirculars&type=download>

ICAI had also issued FAQs on LLP Settlement Scheme, 2020 for the benefit of its members and other stakeholders.

The link of the FAQs on the LLP Settlement Scheme, 2020 issued by ICAI is given below:

<https://resource.cdn.icai.org/58902clcg48009llpfaq.pdf>

5. Extension of time - Scheme for relaxation of time for filing forms related to creation or modification of charges under the Companies Act, 2013

In order to help and support Companies and charge holders, the Ministry of Corporate Affairs had introduced a scheme called “Scheme for relaxation of time for filing forms related to creation or modification of charges under the Companies Act, 2013”.

The scheme was introduced to condone the delay in filing certain forms related to creation/ modification of charges particularly during the pandemic period.

The Scheme came into effect from 17th June, 2020 and was applicable for filing of e-form CHG-1 and e-form CHG-9.

The relaxation for filing such form had been provided till September 30, 2020. During the period of extension, normal fees rules were applicable and no additional fee was charged.

Circular No. 23/2020**Circular Dated -17.06.2020**



The link of circular no 23/2020 is given below:

<https://www.mca.gov.in/bin/ebook/dms/getdocument?doc=MTM1MDQ=&docCategory=NotificationsAndCirculars&type=download>

Examining the Covid-19 conditions the Ministry further extended the scheme till December 31, 2020. It was stated that, the figures "30.09.2020" and "01.10.2020" wherever they appear in the G.C dated 17.06.2020 was substituted with figures "31.12.2020" and "01.01.2021" respectively.

Circular No. 32/2020

Circular Dated -28.09.2020

The link of circular no 32/2020 is given below:

<https://www.mca.gov.in/bin/ebook/dms/getdocument?doc=MTM0ODQ=&docCategory=NotificationsAndCirculars&type=download>

FAQs on the Scheme for relaxation of time for filing forms related to creation or modification of charges (issued by ICAI) are available at the link:

https://www.icai.org/new_post.html?post_id=16615

6. Clarification on passing of ordinary and special resolutions by companies under the Companies Act, 2013 read with rules made thereunder on account of COVID-19- Extension of time

MCA vide its circular dated 8th April, 2020 brought greater clarity on the modalities to be followed by companies for conduct of EGMs during the COVID-19 related social distancing norms and lockdown for the period. Clarifications were given regarding manner and mode of issue of notices to the members before convening the general meeting.

The modalities were given for companies which were required to provide the facility of e-voting under the Act, or any other company which had opted for such facility and for companies which are not required to provide the facility of e-voting under the Act.

- Relevant companies were allowed to pass resolutions in certain cases through show of hands.
- Passing of certain items only, through postal ballot without convening a general meeting
- Sending of e-mails by members where a poll on any item is required for companies covered in para 3-B of the Circular No. 14/2020.

Circular No. 14/2020

Circular Dated -08.04.2020

The link of circular no 14/2020 is given below:

<https://www.mca.gov.in/bin/ebook/dms/getdocument?doc=MTM1OTI=&docCategory=NotificationsAndCirculars&type=download>

Due to the increasing effects of COVID-19 pandemic, the Ministry extended the timeline for the conduct of EGMs through VC or OAVM or transact items through postal ballot in accordance with the framework provided in the aforesaid Circulars



- i. Till December 31, 2020

Circular No. 33/2020
Circular Dated -28.09.2020

The link of circular no 33/2020 is given below:

<https://www.mca.gov.in/bin/ebook/dms/getdocument?doc=MTMOODM=&docCategory=NotificationsAndCirculars&type=download>

- ii. Further extended till 30th June 2021 vide circular no 39/2020 and

Circular No. 39/2020
Circular Dated -31.12.2020

The link of circular no 39/2020 is given below:

<https://www.mca.gov.in/bin/ebook/dms/getdocument?doc=MTMONzQ=&docCategory=NotificationsAndCirculars&type=download>

- iii. Furthermore extended till 31st December, 2021 vide circular no 10/2021.

Circular No. 10/2021
Circular Dated -23.06.2021

The link of circular no 10/2021 is given below:

www.mca.gov.in/bin/dms/getdocument?mds=fYGpVQRhK8ssM3IRSs7fsg%253D%253D&type=open

7. Clarification with regard to creation of deposit repayment reserve of 20% u/s. 73(2)(c) of the Companies Act, 2013 and to invest or deposit 15% of amount of debentures u/r. 18 of Companies (Share Capital and Debentures) Rules, 2014 – COVID-19

The timelines in respect of the following requirements were extended by the Ministry of Corporate Affairs from 30th September, 2020 to 31st December, 2020:

- Requirement to create deposit repayment reserve of 20% u/s. 73 (2) (c) of the Companies Act 2013
- Requirement to invest or deposit 15% of amount of debentures u/r.18 of Companies (Share capital and Debentures) Rules 2014

Circular No. 34/2020
Circular Dated -29.09.2020

The link of circular no 34/2020 is given below:

<https://www.mca.gov.in/bin/ebook/dms/getdocument?doc=MTMOODI=&docCategory=NotificationsAndCirculars&type=download>

8. 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 extension of CFSS, 2020





The Ministry of Corporate Affairs extended the CFSS, 2020 till 31st December, 2020. In view of the same, the necessary relaxation in so far as filing of various 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 without additional fees were also extended till 31st December, 2020.

Circular No. 35/2020

Circular Dated -29.09.2020

The link of circular no 35/2020 is given below:

<https://www.mca.gov.in/bin/ebook/dms/getdocument?doc=MTM00DA=&docCategory=NotificationsAndCirculars&type=download>

9. Special measures under the Companies Act 2013 and LLP Act 2008 in view of COVID-19 outbreak

The Ministry of Corporate Affairs, vide its circular no 11/2020 dated 24th March, 2020 had dispensed off with the requirement of section 149(3) of the Companies Act, 2013 for the FY 2019-20.

Circular No. 11/2020

Circular Dated -24.03.2020

The link of circular no 11/2020 is given below:

<https://www.mca.gov.in/bin/ebook/dms/getdocument?doc=MTM10TY=&docCategory=NotificationsAndCirculars&type=download>

In view of the continued difficulties faced in complying with the minimum residency requirement to be fulfilled by at least one director as prescribed under section 149(3) of the Companies Act, 2013, the Ministry of Corporate Affairs had further granted relief from compliance of the aforesaid requirements for the financial year 2020-21 as well.

Accordingly, the non-compliance of minimum residency in India for a period of at least 182 days in a year, by at least one director in every company, under Section 149 of the Companies Act, 2013 was not treated as non-compliance for the financial year 2019-20 and 2020-21.

Circular No. 36/2020

Circular Dated -20.10.2020

The link of circular no 36/2020 is given below:

<https://www.mca.gov.in/bin/ebook/dms/getdocument?doc=MTI5MDM=&docCategory=NotificationsAndCirculars&type=download>

10. Extension of applicability of CARO, 2020

The Ministry of Corporate Affairs vide order dated 17th December, 2020 further extended the applicability date of Companies (Auditor's Report) Order, 2020 for one more year. Accordingly, CARO 2020 will be applicable from FY 2021-22 and onwards i.e. financial years commencing on or after 1st April, 2021.

Order No. S.O. 4588(E)

Order Dated -17.12.2020



The link of order dated 17.12.2020 is given below:

<https://www.mca.gov.in/bin/ebook/dms/getdocument?doc=MTkxNjl=&docCategory=NotificationsAndCirculars&type=download>

11. Relaxations by the MCA till 31st December , 2020 for inclusion of the name of Independent Directors in the Independent Directors Data Bank

On 28th September, 2020 the Ministry of Corporate Affairs extended the last date for registration of details of Independent Directors in the ID Data Bank by further three months, i.e. upto 31st December, 2020.

Notification No. G.S.R. 589(E) Notification Dated 28.09.2020

The link for the notification dated 28.09.2020 is given below:

<https://www.mca.gov.in/bin/ebook/dms/getdocument?doc=dW5kZWZpbmVk&docCategory=NotificationsAndCirculars&type=download>

In continuation, the Ministry vide its notification dated 18th December, 2020 relaxed the time period (for a period of two years) within which assessment test should be passed and also the criteria for registration has been relaxed and the period of ten years directorship has been reduced to three years along with passing marks criteria which has been reduced from 60% to 50%.

It was also added that an individual shall not be required to pass the online proficiency self-assessment test, if he has served, for a total period of not less than three years, as on the date of inclusion of his name in the databank:-

- i. As a director or key managerial personnel, as on the date of inclusion of his name in the databank, in one or more of the following, namely:-
 - a. Listed public company; or
 - b. unlisted public company having a paid-up share capital of rupees ten crore or more; or
 - c. body corporate listed on any recognized stock exchange or in a country which is a member State of Financial Action Task Force on Money Laundering and the regulator of the securities market in such member State is a member of the International Organisation for Securities Commissions; or
 - d. bodies corporate incorporated outside India having a paid up share capital of US \$2 million or more; or
 - e. Statutory Corporations set up under an Act of Parliament or any State Legislature carrying on commercial activities; or
- ii. In the pay Scale of Director or above in the Ministry of Corporate Affairs or the Ministry of Finance or the Ministry of Commerce or Industry or the Ministry of Heavy Industries and Public Enterprises and having experience in handling matters relating to corporate laws or securities laws or economic laws; or
- iii. In the pay Scale of Chief General Manager or above in the Securities Exchange Board of India or Reserve Bank of India or the Pension Fund Regulatory and Development Authority of India and having experience in handling matters relating to corporate laws or securities laws or economic laws;





Provided further that for the purpose of calculation of the period of three years referred to in the first proviso, any period during which an individual was acting as a director or as key managerial personnel in two or more companies or bodies corporate at the same time shall be counted only once.

Notification No G.S.R. 774(E)
Notification Dated 18.12.2020

The link for the notification dated 18.12.2020 is given below:

<https://www.mca.gov.in/bin/ebook/dms/getdocument?doc=MTM1MzE=&docCategory=NotificationsAndCirculars&type=download>

12. Extension of date for conducting Board Meeting through VC/OAVM

Rule 4 of the Companies (Meetings of Board and its powers) Rules, 2014 states certain matter which cannot be dealt with in a meeting conducted through VC or OAVM.

The Ministry of Corporate Affairs in view of the difficulties faced due to the imposition of lockdown, allowed relaxation in conducting Board Meeting through Video Conference /Other Audio-Visual Means for approving financial statements, Board's report, Prospectus and other restricted agenda items as referred in sub rule 1 of rule 4,

- i. Relaxation was provided upto 31st December, 2020 by amending the said rules through notification dated 28.09.2020,

Notification No. G.S.R. 590 (E)
Notification Dated -28.09.2020

The link for the notification dated 28.09.2020 is as given below:

<https://www.mca.gov.in/bin/ebook/dms/getdocument?doc=dW5kZWZpbmVk&docCategory=NotificationsAndCirculars&type=download>

- ii. Further extended till 30th June ,2021 vide notification dated 30.12.2020.

Notification No. G.S.R. 806 (E)
Notification Dated -30.12.2020

The link for the notification dated 30.12.2020 is as given below:

<http://ebook.mca.gov.in/notificationdetail.aspx?acturl=6CoJDC4uKVUR7C9FI4rZdatyDbeJTqg3ChjA/RhFocp/reqYBBDWIhtYmMH5cvGPNUUernW8VwU=>

Further, vide notification dated 15th June, 2021, the Ministry of Corporate Affairs has omitted rule 4 of Companies (Meetings of Board and its Powers) Rules, 2014. Accordingly, now there is no restriction on any matter to be dealt with in a board meeting through Video Conferencing (VC) or Other Audio Visual Means (OAVM).

Notification No. G.S.R. 409 (E)
Notification Dated -15.06.2021



The link for the notification dated 15.06.2021 is as given below:

<https://www.mca.gov.in/bin/dms/getdocument?mds=zwpAclfQhKOGB8vwf%252FztbA%253D%253D&type=open>

13. Clarification on spending of CSR funds for Awareness and public outreach on COVID-19 Vaccination Programme

The MCA issued a circular dated 13th January, 2021 which clarified that spending of CSR funds for carrying out awareness campaigns/ programmes or public outreach campaigns on COVID-19 Vaccination programme is considered to be an eligible CSR activity under item no (i) (ii) and (xii) of Schedule VII of the Companies Act, 2013 relating to promotion of health care, including preventive health care and sanitization, promoting education and disaster management respectively.

Circular No. 01/2021

Circular Dated -13.01.2021

The link of circular no.01/2021 is given below:

<https://www.mca.gov.in/bin/ebook/dms/getdocument?doc=MTMONzM=&docCategory=NotificationsAndCirculars&type=download>

14. Clarification on holding of AGM through VC (Video Conferencing) or OAVM (Other Audio Visual Means)

The Ministry of Corporate Affairs issued a Circular No. 20/2020 dated 5th May, 2020 to allow companies to hold annual general meeting (AGM) in a manner similar to EGM Circular-I & II which deal with conduct of extraordinary general meeting (EGM) and by virtue of the same the companies have been allowed the holding of annual general meeting (AGM) through video conferencing (VC) or other audio visual means (OAVM).

Circular No. 20/2020

Circular Dated -5.05.2020

The link of original circular no. 20/2020 is given below:

<https://www.mca.gov.in/bin/ebook/dms/getdocument?doc=MTM1MTk=&docCategory=NotificationsAndCirculars&type=download>

The Ministry of Corporate Affairs vide Circular no. 02/21 dated 13th January, 2021 clarified that companies whose AGMs were due to be held in the year 2020, or become due in the year 2021, are allowed to conduct their AGM on or before 31st December 2021 through Video Conferencing (VC) or Other Audio-Visual Means (OAVM) i.e. in accordance with the requirements as provided in paragraphs 3 and 4 of the General Circular No. 20/2020 dated 5th May, 2020.

Circular No. 02.2021

Circular Dated -13.01/2021

The link of circular no. 02/2021 is given below:

<https://www.mca.gov.in/bin/ebook/dms/getdocument?doc=MTMONzI=&docCategory=NotificationsAndCirculars&type=download>





15. Scheme for condonation of delay for companies restored during Dec 2020 u/s 252 of the Companies Act, 2013

The Ministry of Corporate Affairs vide Circular no. 03/21 dated 15th January, 2021 introduced a scheme namely, "Scheme for condonation of delay for companies restored on the Register of Companies between 01 December, 2020 and 31 December 2020, under section 252 of the Companies Act, 2013". The Scheme provided condonation of delay in respect of filing forms with the Registrar in respect of companies whose appeal has been filed u/s 252 of the Act with the respective NCLT Bench for restoration of name of the company between the month of December, 2020 and was disposed with an order for restoration of the company.

The Scheme came into effect from 01st Feb, 2021 and was applicable for filing of any over-due e-forms till 31st March, 2021.

As mentioned, the Scheme was applicable for filing of all e-forms except E-form SH-7 where any increase in authorised share capital is involved and Charge Related Documents such as CHG-1, CHG-4, CHG-8 and CHG-9.

Circular No. 03/2021 Circular Dated -15.01.2021

The link of circular no 03/2021 is given below:

<https://www.mca.gov.in/bin/ebook/dms/getdocument?doc=MTMONzE=&docCategory=NotificationsAndCirculars&type=download>

16. Extension of filing of e-form AOC-4, AOC-4 (CFS), AOC-4 XBRL and AOC-4 Non XBRL for the FY 2019-20 upto 15th Feb, 2021

The Ministry of Corporate Affairs had extended the due date for filing e-form AOC-4, AOC-4 (CFS), AOC-4 XBRL and AOC-4 Non XBRL for the Financial Year ended 31.03.2020 upto 15th February, 2021 vide its notification dated 28th January, 2021.

Circular No. 04/2021 Circular Dated -28.01.2021

The link of circular no 04/2021 is given below:

<https://www.mca.gov.in/bin/ebook/dms/getdocument?doc=MTMONzA=&docCategory=NotificationsAndCirculars&type=download>

17. Clarification on spending of CSR funds for setting up makeshift hospitals and temporary COVID Care facilities

The Ministry of Corporate Affairs vide its circular dated 23rd March, 2020 clarified that spending of CSR funds for Covid-19 activities is an eligible CSR activity.

Circular No. 10/2020 Circular Dated -23.03.2020



The link of original circular no 10/2020 is given below:

http://reports.mca.gov.in/Ministry/pdf/Covid_23032020.pdf

In continuation to the aforesaid circular, the Ministry further clarified that if the companies spend their CSR funds for 'setting up makeshift hospitals and temporary COVID Care facilities' then it shall be an eligible CSR activity under promotion of health care, including preventive health care and disaster management respectively.

Circular No. 05/2021

Circular Dated -22.04.2021

The link of circular no 05/2021 is given below:

<https://www.mca.gov.in/bin/ebook/dms/getdocument?doc=MTM0Njk=&docCategory=NotificationsAndCirculars&type=download>

18. Relaxation on levy of additional fees in filing of certain Forms under the Companies Act, 2013 and LLP Act 2008

In view of the difficulties being faced by stakeholders in filing various forms under the Companies Act, 2013 and LLP Act, 2008, the Ministry of Corporate Affairs vide its circular dated 03rd May 2021 provided additional time up to 31st July, 2021 for Companies/LLPs to file such forms (other than CHG-1, CHG-4 and CHG-9) which were/ would be due for filing during 01st April 2021 to 31st May 2021, without payment of additional fees.

Circular No. 06/2021

Circular Dated -03.05.2021

Link for the circular no 06/2021 has been given below:

<https://www.mca.gov.in/bin/ebook/dms/getdocument?doc=MTM0Njk=&docCategory=NotificationsAndCirculars&type=download>

The aforesaid timelines as mentioned in circular no 06/2021 has been extended up to 31st August, 2021 for Companies/LLPs to file such forms (other than CHG-1, CHG-4 and CHG-9) which were/ would be due for filing during 01st April 2021 to 31st July 2021, without payment of additional fees

Circular No. 11/2021

Circular Dated -30.06.2021

Link for the circular no 11/2021 has been given below:

https://mca.gov.in/content/dam/mca/documents/GeneralCircular11_30062021.pdf

With reference to the Ministry's Circular no 06/2021 and 07/2021 dated 3rd May 2021, as referred above, the Ministry issued a clarification (in the form of an announcement) listing out the forms covered under such relaxation.

The first list of 10 forms was released on 13th May 2021, the 2nd revised list of 18 forms was released on 22nd May 2021, 3rd revised list of 40 forms was issued on 28th May, 2021 and lastly, the final revised list of 53 forms was issued on 3rd June, 2021.





Details (revised list of forms) as on 3rd June, 2021 are available at the link:

<https://www.mca.gov.in/bin/dms/getdocument?mds=N2pxvsmVDKIDdx0TtXM30w%253D%253D&type=open>

19. Relaxation of time for filing forms related to creation or modification of charges under the Companies Act, 2013

The MCA has granted relaxation of time for filing forms related to creation or modification of charges under the Companies Act, 2013 vide its general circular no 7 dated 3rd May 2021.

The said relaxation is applicable in respect of filing of form CHG-1 and CHG-9 by a company or charge holder, where the date of creation/modification of charge is before 01.04.2021, but the timeline for filing such form had not expired u/s 77 of the Act as on 01.04.2021, or falls on any date between 01.04.2021 to 31.05.2021 (both dates inclusive).

Circular No. 07/2021 Circular Dated -3.05.2021

Link for the circular no 07/2021 has been given below:

<https://www.mca.gov.in/bin/ebook/dms/getdocument?doc=MTM0NjY=&docCategory=NotificationsAndCirculars&type=download>

The Ministry of Corporate Affairs further relaxed the timings for filing forms related to creation or modification of charges under the Companies Act, 2013.

Accordingly, the figures “31.05.2021” and “01.06.2021” wherever they appear in the aforesaid previous circular has been substituted with “31.07.2021” and “01.08.2021” respectively.

Therefore, now relaxation has been provided in respect of filing of form CHG-1 and CHG-9 by a company or charge holder, where the date of creation/modification of charge:

- is before 01.04.2021, but the timeline for filing such form had not expired u/s 77 of the Act as on 01.04.2021, or
- falls on any date between 01.04.2021 to 31.07.2021 (both dates inclusive)

Further, the period from 01.04.2021 to 31.07.2021 shall not be reckoned for the purpose of counting the number of days for filing e-form CHG-1 and CHG-9

Circular No. 12/2021 Circular Dated -30.06.2021

Link for the circular no 12/2021 has been given below:

<https://www.mca.gov.in/bin/dms/getdocument?mds=vqTLu4GNC8MKujYEiUpIEg%253D%253D&type=open>

ICAI had also issued an announcement and FAQs on the Relaxation of time for filing forms related to creation or modification of charges under the Companies Act, 2013 issued by the MCA on 03.05.2021 for the benefit of its members and other stakeholder that are uploaded on ICAI website.



FAQs on the aforesaid circular are available at the link:
<https://resource.cdn.icai.org/65412clcg52733b.pdf>

20. Clarification regarding gap between two board meetings under section 173 of the Companies Act, 2013

The Ministry of Corporate Affairs has issued a circular dated 03rd May 2021 wherein it has been clarified that the requirement of holding Board Meetings of the companies within the interval of 120 days as provided in section 173(1) of the Act shall stand extended by 60 days for first two quarters of the Financial Year 2021-22.

Circular No. 08/2021 Circular Dated -3.05.2021

Link for the circular no 08/2021 has been given below:
<https://www.mca.gov.in/bin/ebook/dms/getdocument?doc=MTMONjl=&docCategory=NotificationsAndCirculars&type=download>

21. Clarification by MCA regarding spending of CSR funds for 'creating health infrastructure for COVID care', 'establishment of medical oxygen generation and storage plants' etc

The Ministry of Corporate Affairs has clarified vide its circular dated 05th May, 2021 that spending of CSR funds for 'creating health infrastructure for COVID care', 'establishment of medical oxygen generation and storage plants', 'manufacturing and supply of Oxygen concentrators, ventilators, cylinders and other medical equipment for countering COVID-19' or similar such activities are considered as eligible CSR activities under item nos. (i) and (xii) of Schedule VII of the Companies Act, 2013 relating to promotion of health care, including preventive health care, and, disaster management respectively.

Further, it had been clarified that contribution for the said purpose(s) is considered as eligible CSR activity, if it is made as per item no. (ix) of Schedule VII of the Companies Act, 2013.

Circular No. 09/2021 Circular Dated -5.05.2021

Link for the circular no 09/2021 has been given below:
<https://www.mca.gov.in/bin/ebook/dms/getdocument?doc=MTMONTA=&docCategory=NotificationsAndCirculars&type=download>

22. Clarification on offsetting the excess CSR spent for FY 2019-20

On 20th May, 2021 the Ministry of Corporate Affairs had issued a circular for the clarification on offsetting the excess CSR spent for FY 2019-20.

It had been clarified that where a company has contributed any amount to 'PM CARES Fund' on March 31, 2020, which is over and above the minimum amount as prescribed under section 135(5) of the Companies Act, 2013 ("Act") for FY 2019-20, and such excess amount or part thereof is offset against the requirement to spend under section 135(5) for FY 2020-21 in terms of the aforementioned appeal, then the same shall not be viewed as a violation subject to the conditions that:





- the amount offset as such shall have factored the unspent CSR amount for previous financial years, if any.
- the Chief Financial Officer shall certify that the contribution to “PMCARES Fund” was indeed made on 31st March 2020 in pursuance of the appeal and the same shall also be so certified by the statutory auditor of the company.
- the details of such contribution shall be disclosed separately in the Annual Report on CSR as well as in the Board's Report for FY 2020-21 in terms of section 134 (3) (o) of the Act.

Circular no E-file no. CSR-01/4/2021-CSR-MCA
Circular Dated -20.05.2021

Details are available at:

<https://www.mca.gov.in/bin/ebook/dms/getdocument?doc=MTQxNzU=&docCategory=NotificationsAndCirculars&type=download>

SECURITIES AND EXCHANGE BOARD OF INDIA (SEBI)

1. Relaxation in processing of documents pertaining to FPIs due to COVID-19

The Securities and Exchange Board of India (SEBI) on June 23, 2020 issued a circular for temporary relaxation in processing of documents pertaining to Foreign Portfolio Investors (FPI's) due to COVID-19 pandemic. Keeping in view the situation in the country, SEBI had further extended the relaxation timeline from June 30, 2020 to August 31, 2020. The Designated Depository Participants (DDPs) & Custodians were requested to bring the contents of this circular to the notice of their FPI clients.

Circular no E-file no. SEBI/HO/FPI&C/CIR/P/2020/104
Dated 31.08.2020

Details are available at:

https://www.sebi.gov.in/legal/circulars/aug-2020/temporary-relaxation-in-processing-of-documents-pertaining-to-fpis-due-to-covid-19_47446.html

2. SEBI extends the Settlement Scheme 2020

The Securities and Exchange Board of India (SEBI) on October 31, 2020 issued a Public Notice in reference to its earlier Public Notice dated July 27, 2020 wherein SEBI had introduced the Settlement Scheme 2020 (the Scheme) which provided a one-time settlement opportunity to those entities that had executed trade reversals in the stock options segment of BSE during the period from April 01, 2014 to September 30, 2015.

The period of the Scheme commenced on August 01, 2020 and was to end on October 31, 2020.

However, considering the prevailing conditions of Covid-19 pandemic during the aforesaid period, the competent authority, extended such period of the Scheme till December 31, 2020.

The benefit of this scheme is no longer applicable for the current period.

Details are available at:

https://www.sebi.gov.in/media/public-notice/oct-2020/public-notice-in-respect-of-extension-of-the-sebi-settlement-scheme-2020_48049.html



3. Relaxation by SEBI for non-submission of hard copy of Annual Report to Shareholders and dispensation from sending proxy forms in case meeting is held electronically by Listed Entities till 31.12.2021 due to the COVID-19 pandemic.

The Securities and Exchange Board of India (SEBI) issued a Circular dated 15th January, 2021 where pursuant to the relaxations granted by MCA, further relaxation was provided to the requirements mentioned in Para 3 to 6 of the circular no SEBI/HO/CFD/CMD1/CIR/P/2020/79 dated May 12, 2020 in respect of sending physical copies of annual report to shareholders and dispensation of requirement from sending proxy for general meetings held through electronic mode, till 31st December 2021.

Circular No.: SEBI/HO/CFD/CMD2/CIR/P/2021/11
Dated- 15.01.2021

Details are available at:

https://www.sebi.gov.in/legal/circulars/jan-2021/relaxation-from-compliance-with-certain-provisions-of-the-sebi-listing-obligations-and-disclosure-requirements-regulations-2015-due-to-the-covid-19-pandemic_48790.html

4. Relaxation from compliance with certain provisions of the SEBI (Listing Obligations Disclosure Requirements) Regulations, 2015 due to the CoVID-19 pandemic.

In view of the on-going second wave of the CoVID-19 pandemic and restrictions imposed by various state governments, SEBI vide its Circular dated 29th April, 2021 has extended timelines for various filings and compliance obligations under the LODR Regulations.

The relaxations provided to the entities which have listed their specified securities are as follows:

Sl. No	Regulation	Requirement	Due date	Extended deadline for the quarter / half year / year ending March 31, 2021
1.	Regulation 24A - Annual Secretarial Compliance report	60 days from end of the financial year	30.05.2021	30.06.2021
2.	Regulation 33 (3)- Quarterly financial results / Annual audited financial results	45 days from end of the quarter / 60 days from end of the financial year	15.05.2021 / 30.05.2021	30.06.2021
3.	Regulation 32 (1) - Statement of deviation or variation in use of funds	Along with the financial results (within 45 days of end of each quarter / 60 days from end of the financial year)	15.05.2021 / 30.05.2021	30.06.2021





Further, the listed entities are permitted to use DSC for authentication/ certification of filings/submissions made to the stock exchanges under the LODR Regulations for all filings until December 31, 2021.

Circular No.: SEBI/HO/CFD/CMD1/P/CIR/2021/556
Dated- 29.04.2021

Details are available at:

https://www.sebi.gov.in/legal/circulars/apr-2021/relaxation-from-compliance-with-certain-provisions-of-the-sebi-listing-obligations-disclosure-requirements-regulations-2015-due-to-the-covid-19-pandemic_50000.html

5. Relaxation from compliance with certain provisions of the SEBI (Listing Obligations Disclosure Requirements) Regulations, 2015 / other applicable circulars due to the CoVID-19 pandemic- Entities which have listed their debt securities/bonds

SEBI vide its circular dated 29.04.2021 had further granted the following relaxations from compliance with certain provisions of the LODR Regulations or other applicable circulars.

- *For entities that have listed their debt securities under the SEBI (Issue and Listing of Debt Securities) Regulations, 2008, SEBI (Issue and Listing of Non-convertible Redeemable Preference Shares Regulations, 2013, and SEBI (Public Offer and Listing of Securitised Debt Instruments) Regulations, 2008 - Due date under Regulation 52(1) and 52(2) and 52(7) had been extended to 30.06.2021*
- *For entities that have listed their bonds under the SEBI (Issue and Listing of Municipal Bonds) Regulations, 2015- Requirement to furnish Annual audited financial results as per circular dated November 13, 2019 had been extended to 30.06.2021*
- *For entities that have listed Commercial Paper- Requirement to furnish Half Yearly financial results and Annual audited financial results as per circular dated October 22, 2019 had been extended to 30.06.2021*

Further, the above entities were permitted to use DSC for authentication/ certification of filings/submissions made to the stock exchanges under the LODR Regulations and relevant circular issued by SEBI.

Circular No.: SEBI/HO/DDHS/DDHS_Div1/P/CIR/2021/557
Dated- 29.04.2021

Details are available at:

https://www.sebi.gov.in/legal/circulars/apr-2021/relaxation-from-compliance-with-certain-provisions-of-the-sebi-listing-obligations-disclosure-requirements-regulations-2015-other-applicable-circulars-due-to-the-covid-19-pandemic_50001.html

6. Addendum to SEBI Circular on “Relaxation in adherence to prescribed timelines issued by SEBI due to Covid 19”

SEBI vide its circular dated 13th April, 2020 had granted relaxations to RTAs in adherence to prescribed timelines for carrying out various shareholder requests and for other regulatory filings in view of the Covid-19 pandemic.



Further, vide its circular dated 29th April, 2021 SEBI has extended such relaxation to intermediaries / market participants w.r.t. compliance with the prescribed timelines to July 31, 2021.

It is to be noted that the aforesaid relaxation shall be applicable to all the items mentioned in the annexure to circular dated 13th April, 2021 along with one more item i.e. 'Processing of the demat requests' which has now been added to the list.

Additionally, the requirement for submission of Internal Audit Report (IAR) by RTAs for half year ended March 31, 2021 RTAs within 45 days from the closure of the half year has been extended to July 31, 2021.

Circular No.: SEBI/HO/MIRSD/RTAMB/P/CIR/2021/558

Dated- 29.04.2021

Details are available at:

https://www.sebi.gov.in/legal/circulars/apr-2021/addendum-to-sebi-circular-on-relaxation-in-adherence-to-prescribed-timelines-issued-by-sebi-due-to-covid-19-dated-april-13-2020_50006.html





The Institute of Chartered Accountants of India