

Amendments for Paper – 4 – Corporate and Allied Laws – CA FINAL – Nov 2010 Exams**Part 1 – SEBI – Amendments by ICDR, 2009**

Particulars	Amendment by (Issue of Capital and Disclosure Requirements Regulations 2009)	Q.No / Page No. (Padhuka Book)	Changes in Padhuka Book
Guideline Title	Issue of Capital and Disclosure Requirements Regulations 2009	14.1	
Applicability	Unless otherwise provided, these regulations shall apply to the following – (a) a Public Issue; (b) a Rights Issue, where the aggregate value of specified securities offered is Rs.50 lakhs or more; (c) a Preferential Issue; (d) an issue of Bonus Shares by a Listed Issuer; (e) a Qualified Institutions Placement by a Listed Issuer; (f) an issue of Indian Depository Receipts.	14.2	Delete 14.2 Applicability (Including Notes)
Exemption from eligibility norms for making an IPO	Exemption removed. Eligibility norms made applicable uniformly to all types of issuers.	Q.No. 6 / Page No.14.8	Point 1 to 3 (Not applicable – Delete) Exemption only to Rights Issue by Listed Companies
Fast Track Issues	The “average market capitalisation of public shareholding” of the Company is atleast Rs.5,000 Crores	Q.No. 5 / Page No.14.7	In point no. 4 substitute Rs.5,000 Crores instead of Rs.10,000 Crores
Fast Track Issues	“Provided that for issuers, whose public shareholding is less than 15% of its issued Equity Capital, the annualised trading turnover of its Equity Shares has been at least 2% of the Weighted Average Number of Equity Shares available as free float during such 6 months period”	Q.No. 5 / Page No.14.7	Insert the amendment after point 5
Fast Track Issues	Provided that if the issuer has not complied with the provision of the equity listing agreement relating to composition of Board of Directors, for any quarter during the last 3 Years immediately preceding the reference date, but is compliant with such provisions at the time of filing of offer document with the ROC or Designated Stock Exchange, as the case may be, and adequate disclosures are made in the Offer Document about such non-compliances during the 3 Years immediately preceding the reference date, it shall be deemed as compliance with the condition	Q.No. 5 / Page No.14.7	Insert the amendment after point 2
Prohibition placed by Controller of Capital Issue	Issuer not to make Public Issue or Rights Issue of specified securities if: (a) the issuer, any of its promoters, promoter group or directors or persons in control of the issuer are debarred from accessing the capital market by the SEBI; (b) if any of the Promoters, Directors or Persons in control of the issuer was or also is a promoter, director or person in control of any other company which is debarred from accessing the capital market under any order or directions made by SEBI.	Q.No. 1 / Page No.14.2	Substitute the amendment for point 3(a) in Q.No.1
Guideline for OTCEI Issues	Omitted	14.44	Chapter XIV Guidelines for OTCEI Issues (OMIT)

SHREE GURU KRIPA'S INSTITUTE OF MANAGEMENT

Guideline for E-IPO	Omitted	14.33	Chapter XI (A) Guidelines on Initial Public Offers Through stock exchange on-line system (e-ipo)
Issue of IDR (Indian Depository Receipts)	Atleast 30% to RII out of the balance 50%. Spill Over to other categories permitted in case of under subscription in RII Category.	Q.No.1 P.No.14.50	Insert the amendment after point 4(d)
Book Building	75% Book Building Omitted	Q.No. 2 / Page No. 14.24	Deleted
Issue Period in a public issue	Not to exceed 10 days (including revision in price band)		
Issue Period for infrastructure companies	For all 10 days (Previously 21 days)		
Surplus Money in GSO	Transferred to Fund established by SEBI (Earlier Stock Exchange)	Page No. 14.18	
Minimum Promoter Contribution	Should by brought in by promoters only (Previously by relatives, friends / promoter groups)	Page No. 14.18	

**Part 2 – Revival and Rehabilitation of Sick–Industrial Companies
(Only Definition Applicable for exams)**

Term	Definitions
Sick Industrial Company	Means an industrial undertaking which has – a) Accumulated Losses in any financial year equal to 50% or more of its average net worth during 4 years immediately preceding such Financial Year; or b) Failed to repay its debts within any 3 consecutive quarters on demand made in writing for its repayment by Creditor of such Company.
Industrial Undertaking	Means any undertaking, pertaining to any industry carried on in one or more factories or units by any Company, as defined in Section 3(aa) of the Industries (Development and Regulation) Act, 1951 but does not include a Small Scale Industrial undertaking”
Net Worth	Means the sum total of the Paid-Up Capital and Free Reserves after deducting the provisions or expenses as may be prescribed. “ Free Reserves ” means all Reserves created out of the profits and Share Premium Account does not include Reserves created out of Revaluation of Assets, write back of Depreciation Provisions and Amalgamation
Operating Agency	Means any group of Experts consisting of persons having special knowledge of business or industry in which the Sick Industrial Company is engaged and includes Public Financial Information Institution, State Level institution, Scheduled Bank or any other person as may be specified as the Operating Agency by the Tribunal
Industrial Company	Means a company which owns one or more industrial undertakings

Part 3 – Prevention of Money Laundering Act, 2002

Updated Schedule of Offences – (Substitute for Q.No. 3 Page No.2.24)

[Source: www.fiuindia.gov.in]**PART A****Paragraph 1 - The Indian Penal Code, 1860**

Section	Description of Offence
121	Waging, or attempting to wage war or abetting waging of war, against the Government of India.
121A	Conspiracy to commit offences punishable by section 121 against the State.
489A	Counterfeiting currency notes or bank notes.
489B	Using as genuine, forged or counterfeit currency notes or bank notes

Paragraph 2 - The Narcotic Drugs and Psychotropic Substances Act, 1985

15	Contravention in relation to poppy straw.
16	Contravention in relation to coca plant and coca leaves.
17	Contravention in relation to prepared opium.
18	Contravention in relation to opium poppy and opium.
19	Embezzlement of opium by cultivator.
20	Contravention in relation to cannabis plant and cannabis.
21	Contravention in relation to manufactured drugs and preparations
22	Contravention in relation to psychotropic substances.
23	Illegal import into India, export from India or transshipment of narcotic drugs and psychotropic substances.
24	External dealings in narcotic drugs and psychotropic substances in contravention of section 12 of the Narcotics Drugs and Psychotropic Substances Act, 1985.
25A	Contravention of orders made under section 9A of the Narcotic Drugs and Psychotropic Substances Act, 1985
27A	Financing illicit traffic and harbouring offenders.
29	Abetment and criminal conspiracy.

Paragraph 3 - The Explosive Substances Act, 1908

3	Causing explosion likely to endanger life or property.
4	Attempt to cause explosion, or for making or keeping explosives with intent to endanger life or property.
5	Making or possessing explosives under suspicious circumstances.

Paragraph 4 - The Unlawful Activities (Prevention) Act, 1967

10	Penalty for being member of an unlawful association, etc.
11	Penalty for dealing with funds of an unlawful association.
13	Punishment for unlawful activities.
16	Punishment for terrorist act.
16A	Punishment for making demands of radioactive substances, nuclear devices, etc.
17	Punishment for raising fund for terrorist act.
18	Punishment for conspiracy, etc.
18A	Punishment for organising of terrorist camps.
18B	Punishment for recruiting of any person or persons for terrorist act.
19	Punishment for harbouring, etc.
20	Punishment for being member of terrorist gang or organization.
21	Punishment for holding proceeds of terrorism.
38	Offence relating to membership of a terrorist organization.
39	Offence relating to support given to a terrorist organization.

SHREE GURU KRIPA'S INSTITUTE OF MANAGEMENT

PART B

Paragraph 1 - The Indian Penal Code, 1860	
Section	Description of Offence
120 B	Criminal conspiracy.
255	Counterfeiting Government stamp.
257	Making or selling instrument for counterfeiting Government stamp.
258	Sale of counterfeiting Government stamp.
259	Having possession of counterfeit Government stamp.
260	Using as genuine a Government stamp known to be counterfeit.
302	Murder.
304	Punishment for culpable homicide not amounting to murder.
307	Attempt to murder.
308	Attempt to commit culpable homicide.
327	Voluntarily causing hurt to extort property, or to constrain to an illegal act.
329	Voluntarily causing grievous hurt to extort property, or to constrain to an illegal act.
364A	Kidnapping for ransom, etc.
384 to 389	Offences relating to extortion
392 to 402	Offences relating to robbery and dacoity.
411	Dishonestly receiving stolen property.
412	Dishonestly receiving property stolen in the commission of a dacoity.
413	Habitually dealing in stolen property.
414	Assisting in concealment of stolen property.
417	Punishment for cheating.
418	Cheating with knowledge that wrongful loss may ensue to person whose interest offender is bound to protect.
419	Punishment for cheating by personation.
420	Cheating and dishonesty inducing delivery of properties.
421	Dishonest or fraudulent removal or concealment of property to prevent distribution among creditors.
422	Dishonestly or fraudulently preventing debt being available for creditors.
423	Dishonest or fraudulent execution of deed of transfer containing false statement of consideration.
424	Dishonest or fraudulent removal or concealment of property.
467	Forgery of a valuable security, will, etc.
471	Using as genuine a forged document or electronic record.
472 and 473	Making or possessing counterfeit seal, etc. with intent to commit forgery.
475 and 476	Counterfeiting device or mark.
481	Using a false property mark.
482	Punishment for using false property mark.
483	Counterfeiting a property mark used by another.
484	Counterfeiting a mark used by a public servant.
485	Making or possession of any instrument for counterfeiting a property mark.
486	Selling goods marked with a counterfeit property mark.
487	Making a false mark upon any receptacle containing goods.
488	Punishment for making use of false mark.
Paragraph 2 - The Arms Act, 1959	
25	To manufacture, sell, transfer, convert, repair or test or prove or expose or offer for sale or transfer or have in his possession for sale, transfer, conversion, repair, test or proof, any arms or ammunition in contravention of section 5 etc.
26	To do any act in contravention of any provisions of section 3, 4, 10 or 12 of the Arms Act, 1959 in such manner as specified in sub-section (1) of section 26 of the said Act etc.

SHREE GURU KRIPA'S INSTITUTE OF MANAGEMENT

27	Use of arms or ammunitions in contravention of section 5 or use of any arms or ammunition in contravention of section 7 of the Arms Act, 1959.
28	Use and possession of fire arms or imitation fire arms in certain cases.
29	Knowingly purchasing arms from unlicensed person or for delivering arms, etc., to person not entitled to possess the same.
30	Contravention of any condition of a licence or any provisions of the Arms Act, 1959 or any rule made thereunder.
Paragraph 3 - The Wild Life (Protection) Act, 1972	
51	Hunting of wild animals
51	Dealing in prohibited activities like picking, uprooting, etc., of specified plants.
51	Contravention relating wild animals, etc., to be Government property.
51	Dealings in trophy and animal articles without licence prohibited.
51	Purchase of animal, etc., by licensee.
51	Dealings in trophies, animal articles etc., derived from scheduled animals.
Paragraph 4 - The Immoral Traffic (Prevention) Act, 1956	
5	Procuring, inducing or taking person for the sake of prostitution.
6	Detaining a person in premises where prostitution is carried on.
8	Seducing or soliciting for purpose of prostitution.
9	Seduction of a person in custody.
Paragraph 5 - The Prevention Of Corruption Act, 1988	
7	Public servant taking gratification other than legal remuneration in respect of an official act.
8	Taking gratification, in order, by corrupt or illegal means, to influence public servant.
9	Taking gratification, for exercise of personal influence with public servant.
10	Abetment by public servant of offences defined in section 8 or section 9 of the Prevention of Corruption Act, 1988.
13	Criminal misconduct by a public servant.;
Paragraph 6 - The Explosives Act, 1884	
9-B	Punishment for certain offences.
9-C	Offences by Companies.
25	Contravention of export trade in antiquities and art treasure.(read with section 3)
28	Offences by Companies.
25	Contravention of export trade in antiquities and art treasure.(read with section 3)
Paragraph 7 - The Antiquities and Arts Treasures Act, 1972	
25	Contravention of export trade in antiquities and art treasure.(read with section 3)
28	Offences by Companies.
Paragraph 8 - The Securities and Exchange Board Of India Act, 1992	
12A	Prohibition of manipulative and deceptive devices, insider trading and substantial acquisition of securities or control.(read with section 24)
Paragraph 9 - The Customs Act, 1962	
135	Evasion of duty or prohibitions.
Paragraph 10 - The Bonded Labour System (Abolition) Act, 1976	
16	Punishment for enforcement of bonded labour.
18	Punishment for extracting bonded labour under the bonded labour system.
20	Abetment to be an offence.
Paragraph 11 - The Child Labour (Prohibition and Regulation) Act, 1986	
14	Punishment for employment of any child to work in contravention of the provisions of section 3.
Paragraph 12 - The Transplantation Of Human Organs Act, 1994	
18	Punishment for removal of human organ without authority.
19	Punishment for commercial dealings in human organs.
20	Punishment for contravention of any other provision of this Act.
Paragraph 13 - The Juvenile Justice (Care and Protection Of Children) Act,2000	
23	Punishment of cruelty to juvenile or child.

SHREE GURU KRIPA'S INSTITUTE OF MANAGEMENT

24	Employment of juvenile or child for begging.
25	Penalty for giving intoxicating liquor or narcotic drug or psychotropic substance to juvenile or child.
26	Exploitation of juvenile or child employee.
Paragraph 14 - The Emigration Act,1983	
24	Offences and penalties.
Paragraph 15 - The Passport Act,1967	
12	Offences and penalties.
Paragraph 16 - The Foreigners Act,1946	
14	Penalty for contravention of provisions of the Act, etc.
14B	Penalty for using forged passport.
14C	Penalty for abetment.
Paragraph 17 - The Copyright Act,1957	
63	Offence of infringement of copyright or other rights conferred by this Act.
63A	Enhanced penalty on second and subsequent convictions.
63B	Knowing use of infringing copy of computer programme.
68A	Penalty for contravention of section 52A.
Paragraph 18 - The Trade Marks Act,1999	
103	Penalty for applying false trade marks, trade description, etc.
104	Penalty for selling goods or providing services to which false trademark or false trade description is applied.
105	Enhanced penalty on second or subsequent conviction.
107	Penalty for falsely representing a trade mark as registered.
120	Punishment of abetment in India of acts done out of India.
Paragraph 19 - The Information Technology Act, 2000	
72	Penalty for breach of confidentiality and privacy.
75	Act to apply for offence or contravention committed outside India.
Paragraph 20 - The Biological Diversity Act,2002	
55	Penalties for contravention of section 6, etc. (read with 6)
Paragraph 21 - The Protection Of Plant Varieties and Farmers' Rights Act,2001	
70	Penalty for applying false denomination, etc. (read with section 68)
71	Penalty for selling varieties to which false denomination is applied. (read with section 68)
72	Penalty for falsely representing a variety as registered. (read with section 68)
73	Penalty for subsequent offence.
Paragraph 22 - The Environment Protection Act,1986	
15	Penalty for discharging environmental pollutants. (read with section 7)
15	Penalty for handling hazardous substance. (read with section 8)
Paragraph 23 - The Water (Prevention and Control Of Pollution) Act,1974	
41(2)	Penalty for pollution of stream or well.
43	Penalty for contravention of provisions of section 24.
Paragraph 24 - The Air (Prevention And Control Of Pollution) Act,1981	
37	Failure to comply with the provisions for operating industrial plant.
Paragraph 25 - The Suppression of Unlawful Acts Against Safety Of Maritime Navigation and Fixed Platforms on Continental Shelf Act, 2002	
3	Offences against ship, fixed platform, cargo of a ship, maritime navigational facilities, etc.

PART C

An offence which is the offence of cross border implications and which is specified in,-

- (1) Part-A; or
- (2) Part-B without any threshold; or

the offences against property under chapter XVII of the Indian Penal Code