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Ministry of Corporate Affairs vide notification dated June 24, 2021 has issued 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 notification dated June 24, 2021 has issued 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.
- In continuation to this Ministry's General Circulars No. 14/2020 dated 8th April, 2020, No.17/2020 dated 13th April, 2020, No.22/2020 dated 15.06.2020, No.33/2020 dated 28.09.2020 and No. 39/2020 dated 31.12.2020, after due examination, it has been decided to allow companies to conduct their EGMs through VC or OAVM or transact items through postal ballot in accordance with the framework provided in the aforesaid Circulars upto 31st December, 2021.

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Ministry of Corporate Affairs vide notification dated June 23, 2021 has issued Companies (Accounting Standards) Rules, 2021

- MCA vide notification dated June 23, 2021 has issued Companies (Accounting Standards) Rules, 2021.
- As per the Rules, "Small and Medium Sized Company" (SMC) means, a company-
 - a. Whose equity or debt securities are not listed or are not in the process of listing on any stock exchange, whether in India or outside India;
 - b. Which is not a bank, financial institution or an insurance company;
 - c. Whose turnover (excluding other income) does not exceed two hundred and fifty crore rupees in the immediately preceding accounting year;
 - d. Which does not have borrowings (including public deposits) in excess of fifty crore rupees at any time during the immediately preceding accounting year;



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e. which is not a holding or subsidiary company of a company which is not a small and medium-sized company.

- The notification is hereby attached.

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Ministry of Corporate Affairs vide notification dated June 18, 2021 has issued Companies (Creation and Maintenance of databank of Independent Directors) Amendment Rules, 2021

- MCA vide notification dated June 18, 2021 has issued Companies (Creation and Maintenance of databank of Independent Directors) Amendment Rules, 2021.
- As per the new Rules, In case of delay on the part of an individual in applying to the institute under sub-rule (7) for inclusion of his name in the data bank or in case of delay in filing an application for renewal thereof, the institute shall allow such inclusion or renewal, as the case may be, under rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014 after charging a further fees of one thousand rupees on account of such delay.
- The notification is hereby attached.

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Reserve Bank of India vide notification dated June 24, 2021 has issued guidelines for Declaration of dividends by NBFCs

- RBI vide notification dated June 24, 2021 has issued guidelines for Declaration of dividends by NBFCs.
- These guidelines shall be effective for declaration of dividend from the profits of the financial year ending March 31, 2022 and onwards.
- The Board of Directors shall, while considering the proposals for dividend, take into account the following aspects:
 - a. Supervisory findings of the Reserve Bank (National Housing Bank (NHB) for HFCs) on divergence in classification and provisioning for Non-Performing



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Assets (NPAs).

- b. Qualifications in the Auditors' Report to the financial statements;
- c. Long term growth plans of the NBFC.

The Board shall ensure that the total dividend proposed for the financial year does not exceed the ceilings specified in the guidelines.

- The notification is hereby attached.

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Securities Exchange Board of India vide circular dated June 18, 2021 has issued Framework for administration and supervision of Investment Advisers under the SEBI (Investment Advisers) Regulations, 2013

- SEBI vide circular dated June 18, 2021 has issued Framework for administration and supervision of Investment Advisers under the SEBI (Investment Advisers) Regulations, 2013
- As per Regulation 14 of the SEBI (Investment Advisers) Regulations 2013 ("IA Regulations"), SEBI may inter-alia recognize any body or body corporate for the purpose of regulating Investment Advisers ("IA") and delegate administration and supervision of the IAs on such terms and conditions as may be specified. Accordingly, an entity granted recognition under the aforesaid Regulation shall be designated as "Investment Adviser Administration and Supervisory Body" ("IAASB") and shall be entrusted with the administration and supervision of IAs.
- This circular is issued in exercise of powers conferred under Section 11(1) of the Securities and Exchange Board of India Act, 1992 read with Regulation 14(2) of the IA Regulations to protect the interests of investors in securities market and to promote the development of, and to regulate the securities market.

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