

Corporate and other related Laws

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Inside this edition

Establishment of Centre for Processing Accelerated Corporate Exit (also called C-Pace) by Ministry of Corporate Affairs

MCA releases FAQs on association of digital signature certificate on V3 portal

Companies to disclose material accounting policy information in financial statements

SEBI comes out with requirement to process investors' service requests

SEBI relief for large registrars on enhanced reporting requirements

Report of the joint committee on the Multi-State Co-Operative Societies (Amendment) Bill, 2022



Establishment of Centre for Processing Accelerated Corporate Exit (also called C-Pace) by Ministry of Corporate Affairs

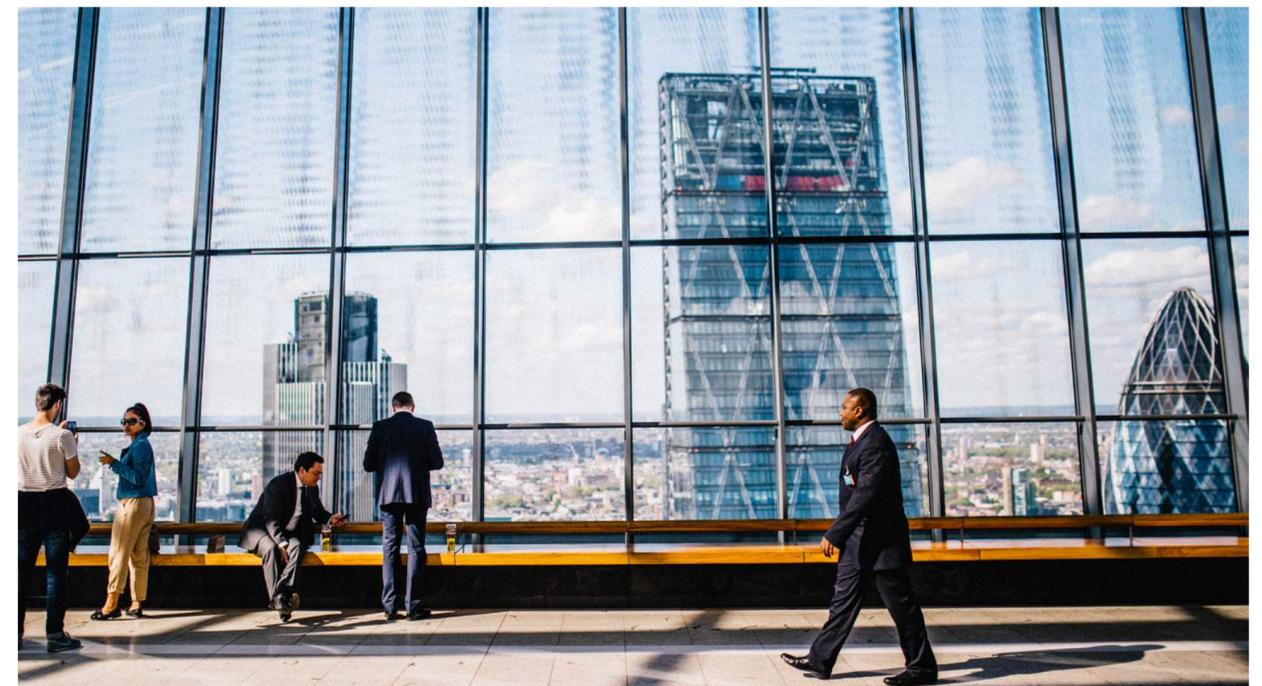
- MCA vide its notification has notified that in exercise of the powers conferred by section 396(1) of the Companies Act, 2013, the Central Government establishes Centre for Processing Accelerated Corporate Exit (CPACE) which facilitates and speed up the voluntary winding-up of companies from the currently required two years to less than six months.
- The C-PACE shall be located at the Indian Institute of Corporate Affairs (IICA), Manesar, Gurugram.
- This notification shall come into force with effect from the 01st day of April 2023.

MCA releases FAQs on association of digital signature certificate on V3 portal

- MCA issues FAQs on association of Digital Signature Certificate (DSC) on the V3 Portal, inter alia clarifies that only business users can register their DSC on V3 Portal and that registered users are not allowed to associate their DSC on V3 Portal.
- In respect of the question as to whether it is mandatory to associate DSC on V3 Portal, MCA specifies that any person who is signing any form and filing on MCA portal, is required to associate his/her DSC on V3 Portal first, and that any person who had earlier associated the DSC on V2 Portal, is required to re-associate his/her DSC on V3 Portal for filing any form on MCA.

Companies to disclose material accounting policy information in financial statements

- MCA amends the Companies (Indian Accounting Standards) Rules, 2015, which shall come into effect from 1st day of April, 2023 i.e. Financial Year 2023-24.
- By virtue of this the Companies, in their financial statements, shall disclose material accounting policy information as against hitherto requirement of disclosing “significant accounting policies”.
- With the latest MCA rule change, India has aligned itself with the “Material” concept already required under International Financial Reporting Standards (IFRS). This could lead to more meaningful disclosure of Accounting Policies and will improve the readability and usefulness of financial statements.

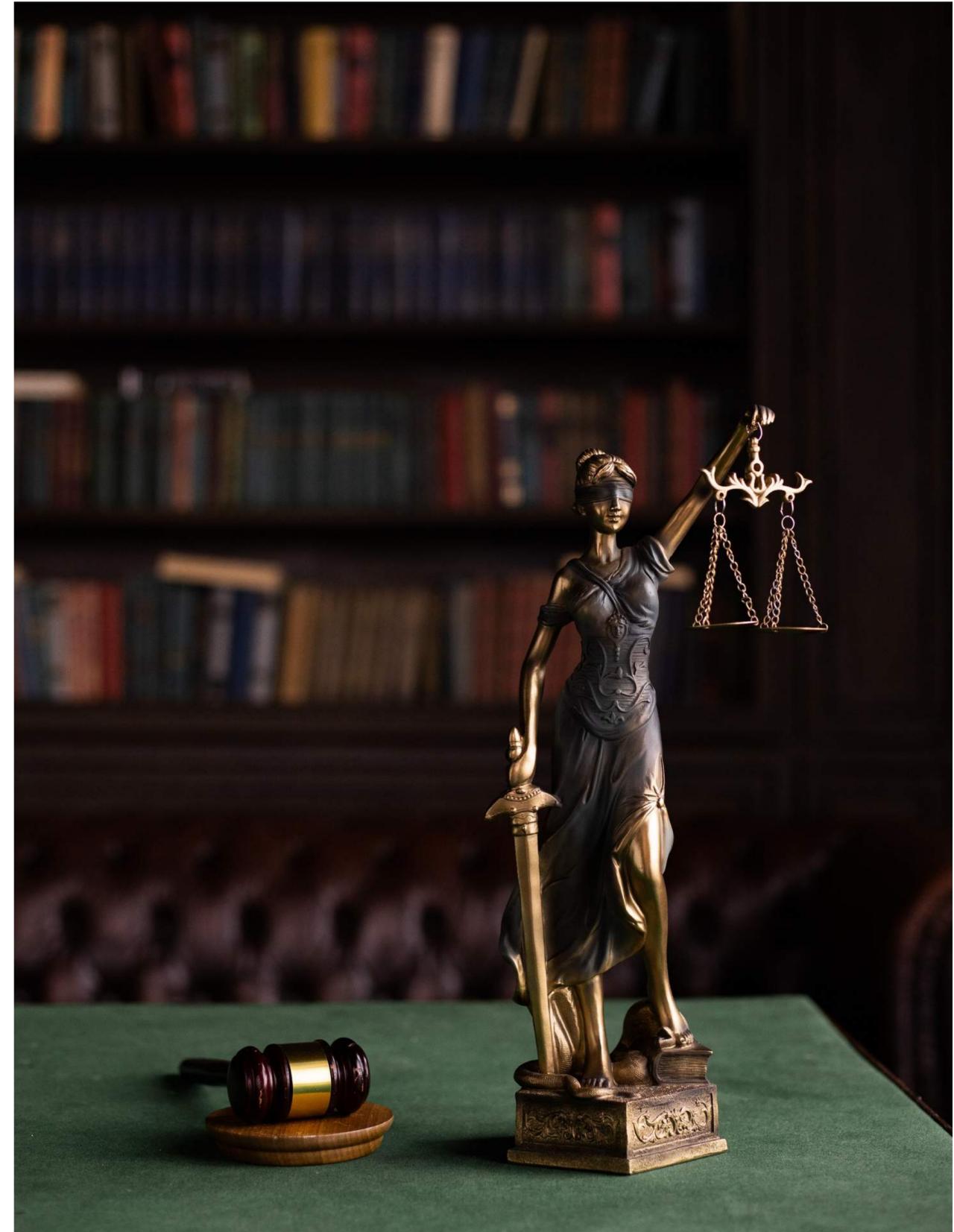


SEBI comes out with requirement to process investors' service requests

- SEBI has simplified the procedure requirements for processing investors' service requests by registrar and share transfer agents (RTAs) to push ease of doing business.
- In addition, the regulator has issued framework for furnishing PAN, KYC (Know Your Client) details and nomination by holders of physical securities.
- The new framework would come into force from April 1, 2023. The regulator has made it mandatory for all holders of physical securities in listed companies to furnish PAN, nomination, contact details, bank account details and specimen signature for their corresponding folio numbers.

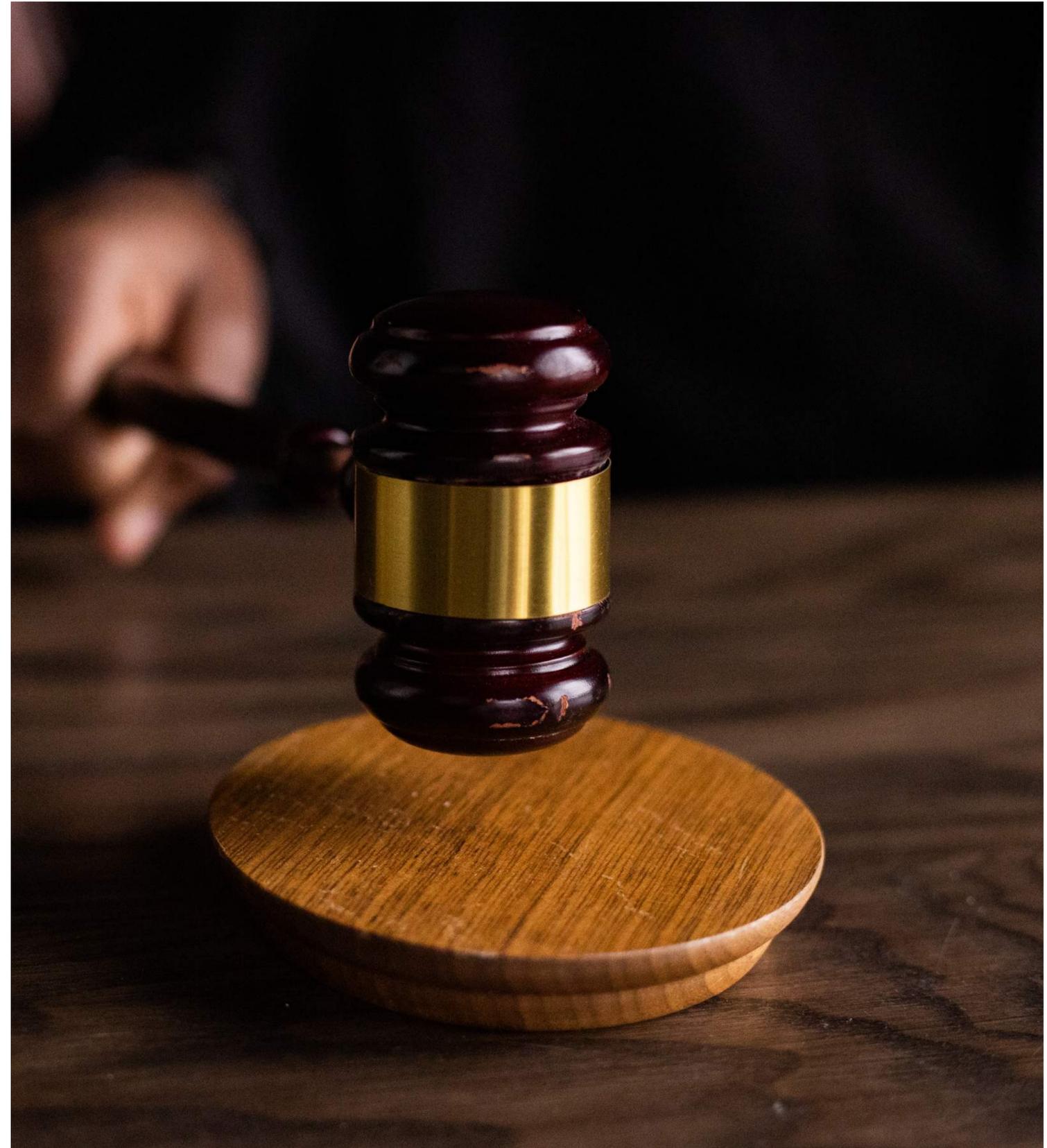
SEBI relief for large registrars on enhanced reporting requirements

SEBI provided relaxation of 60 days to large Registrars to an issue/ Share Transfer Agents (RTAs) from complying with the enhanced requirements pertaining to periodic reporting. The qualified RTAs or QRTAs are required to comply with enhanced responsibilities through adoption and implementation of an internal policy framework and periodic reporting requirements. In a circular, SEBI clarified that an RTA would be categorised as QRTA if at any time during a financial year, the combined number of physical and demat folios being serviced by the RTA for listed companies exceeds 2 crore. In case of the categorisation as a QRTA, an intimation needs to be sent by the RTA within five working days to SEBI.



Report of the joint committee on the Multi-State Co-Operative Societies (Amendment) Bill, 2022

The Multi-State Cooperative Societies (Amendment) Bill, 2022 has been referred by the Parliament to this Joint Committee on Multi-State Cooperative Societies (Amendment) Bill, 2022 for examination and report. Motion in this regard was adopted by Lok Sabha on 20 December 2022 and the same was concurred by Rajya Sabha on 21 December, 2022. Joint Committee is comprised of 31 Members with 21 Members from Lok Sabha and 10 Members from Rajya Sabha. Shri Chandra Prakash Joshi, MP (Lok Sabha) is the Chairperson of the Committee. The Committee took the oral evidence of the representatives of the Ministry of Cooperation, Department of Financial Services, Reserve Bank of India and Ministry of Law & Justice on the provisions contained in the Bill. The Committee also heard the views of national level federations of Cooperative Societies and cooperative banks. The Committee also heard the views of some of the prominent Multistate Cooperative Societies. Report of the joint committee on the Multi-State Co-Operative Societies (Amendment) Bill, 2022, presented to Lok Sabha on 15.03.2023 and laid in Rajya Sabha on 15.03.2023 respectively.



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