



### Inside this edition

- Relaxation in paying additional fees in case of delay in filling all the event based eforms by LLPs.
- Implementation of filing of Form CSR-2 by the Company
- Companies (Compromises, Arrangements and Amalgamations) Amendment Rules, 2022
- Relaxation in paying additional fees in case of delay in filing Form 11(Annual Return) by Limited Liability Partnerships
- Amendment in Companies (Incorporation) Second Amendment Rules, 2022
- Amendment in Form SH-4 : Securities Transfer Form  
& more

### **Relaxation in paying additional fees in case of delay in filling all the event based eforms by LLPs.**



The Ministry has received representations seeking extension of timelines for filing the event based forms by LLPs without paying additional fees in view of transition from version-2 of MCA -21 to version-3. Keeping in view these representations and to promote

compliance on part of the LLPs, it has been decided to allow LLPs to file various event based LLP e-forms, due dates of which are falling between 25th February, 2022 to 31st May, 2022, without paying additional fees up to 30th June, 2022.

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### **Implementation of filing of Form CSR-2 by the Company**

The Ministry of Corporate Affairs through its notification on May 31, 2022 has notified the Companies (Accounts) Third Amendment Rules, 2022, which shall come into force on the date of its publication in the Official Gazette. According to the amendment under rule below changes are mentioned:

- For financial year (2020-2021), Form CSR-2 shall be filed separately on or before 30th June 2022 after filing Form AOC-4 or AOC-4 XBRL or AOC-4 NBFC (Ind AS), as the case may be.
- For the financial year (2021-2022), Form CSR-2 shall be filed separately on or before 31st March, 2023 after filing Form AOC-4 or AOC-4 XBRL or AOC-4 NBFC (Ind AS), as the case may be".

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### **Companies (Compromises, Arrangements and Amalgamations) Amendment Rules, 2022**

In exercise of the powers conferred by section 469 of the Companies Act, 2013, the Central Government inter alia amended the Rule 25A of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 which provided that in case of a compromise or an arrangement or merger or demerger between an Indian company and a company or body corporate which has been incorporated in a country which shares land border with India, a declaration in Form No. CAA-16 shall be required at the stage of submission of application under section 230 of the Act.

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### **Relaxation in paying additional fees in case of delay in filing Form 11(Annual Return) by Limited Liability Partnerships**



MCA in view of transition from version-2 of MCA-21 to version-3 and to promote compliance on part of LLPs, it has been decided to allow LLPs to file e-Form 11 (Annual Return of Limited Liability Partnerships) for the Financial Year 2021-2022 without paying

additional fees up to June 30, 2022.

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### **Amendment in Companies (Incorporation) Second Amendment Rules, 2022**

MCA vide its notification on May 20, 2022 has notified the Companies (Incorporation) Second Amendment Rules, 2022 which shall come into force with effect from June 01, 2022.

As per the amendment, Declaration by Subscribers and First Directors is substituted in respect of compliance under Foreign Exchange Management (Non-debt Instruments) Rules by inserting below mentioned points:

“I am required to obtain the Government approval under the Foreign Exchange Management (Non-debt Instruments) Rules, 2019 prior to subscription of shares and the same has been obtained, and is enclosed herewith.” Or “I am not required to obtain the Government approval under the Foreign Exchange Management (Non-debt Instruments) Rules, 2019 prior to subscription of shares.”

Further, the Ministry has also amended the E-Form INC-32 by inserting the below mentioned point wherein applicant has to declare whether he/she is required to take approval from Ministry of Home Affairs or not, if yes then a copy of the security clearance is to be attached.

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#### **Amendment in Form SH-4 : Securities Transfer Form**



MCA has amended the Companies(Share Capital and Debentures) Rules on May 04, 2022 by notifying the companies (Share Capital and debentures) Amendment Rules, 2014. As per the amendment, in the annexure, in Form No. SH-4 (Securities Transfer Form), before the enclosures, the

following declaration shall be inserted, namely:-

“Transferee is not required to obtain the Government approval under the Foreign Exchange management (Non-debt Instruments) Rules, 2019 prior to transfer of shares; or Transferee is required to obtain the Government approval under the Foreign Exchange management (Non-

debt Instruments) rules, 2019 prior to transfer of shares and the same has been obtained and is enclosed herewith.”

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#### **Amendment in Form PAS-4: Offer Letter for issuance of securities**

MCA vide its Notification dated May 05, 2022 has notified the Companies (Prospectus and Allotment of Securities) Amendment Rules, 2022 which provides the following :

- Insertion of new proviso to Rule 14 of the Companies (Prospectus and Allotment of Securities) Rules, 2014 stating that, no offer or invitation of any securities under rule 14 shall be made to a body corporate incorporated in, or a national of, a country which shares a land border with India, unless such body corporate or the national, as the case may be, have obtained Government approval under the Foreign Exchange Management (Non-debt Instruments) Rules, 2019 and attached the same with the private placement offer cum application letter.
- In Annexure, in Form PAS-4, in Part-B, after serial number (vii), the following shall be inserted, namely :-  
“(viii) Tick whichever is applicable:-
  - The applicant is not required to obtain Government approval under the Foreign Exchange Management (Non-debt Instruments) Rules, 2019 prior to subscription of shares.
  - The applicant is required to obtain Government approval under the Foreign Exchange Management (Non-debt Instruments) Rules, 2019 prior to subscription of shares and the same has been obtained, and is enclosed herewith. ”

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### The trading in Right Entitlements



SEBI has streamlined the rights issue process and provided that the trading in Right Entitlements (REs) on the secondary market platform of stock exchanges commence along with the opening of the right issue and has to be closed at least three working days prior to the closure of the rights issue.

Earlier, the requirement was four days. SEBI received representation from the market that in case there are trading holidays between the last date of REs trading date and issue closure, the provision of the minimum gap of four days may not always ensure that there are adequate days for settlement, as minimum 2 working days are required for the settlement of REs traded on last day of REs trading window. REs traded on the exchange platform have a T+2 rolling settlement.

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