

**OCTOBER
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NEWSLETTER

REGULATORY

- RBI
- SEBI
- MCA



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RBI

1. Prompt Corrective Action (PCA) Framework for Non-Banking Financial Companies (NBFCs) – Extension to Government NBFCs

RBI/2023-24/67 Ref. No.DoS.CO.PPG/SEC.05/11.01.005/2023-24
10th October, 2023

Reserve Bank of India introduced Prompt Corrective Action (PCA) Framework for NBFCs on December 14, 2021.

Vide this notification, the framework has been reviewed and it has been decided to extend the same to Government NBFCs (except those in Base Layer) with effect from October 1, 2024, based on the audited financials of the NBFC as on March 31, 2024, or thereafter.

[Notification](#)

2. Appointment of Whole-Time Director(s)

RBI/2023-24/70 DOR.HGG.GOV.REC.46/29.67.001/2023-24
25th October, 2023

Earlier, the RBI had issued instructions on Corporate Governance in Banks - Appointment of Directors and Constitution of Committees of the Board’.

Given the growing complexity of the banking sector, it becomes imperative to establish an effective senior management team in the banks to navigate ongoing and emerging challenges.

To address these issues and challenges, banks are advised to ensure the presence of at least two Whole Time Directors (WTDs), including the MD & CEO, on their Boards. The number of WTDs shall be decided by the Board of the bank by taking into account factors such as the size of operations, business complexity, and other relevant aspects.

In compliance to these instructions, banks that currently do not meet the minimum requirement as above are advised to submit their proposals for the appointment of WTD(s) under Section 35B(1)(b) of the Banking Regulation Act, 1949, within a period of four months from the date of issuance of this circular.

Those banks which do not already have the enabling provisions regarding appointment of WTDs in their Articles of Association may first seek necessary approvals under Section 35B(1)(a) of the Act *ibid*, expeditiously, so as to be in a position to comply with the requirements under these instructions.

While ensuring compliance to the above instructions, careful consideration shall also be given to meet the requirements under other applicable statutory/regulatory provisions.

[Notification](#)

1. Centralized mechanism for reporting the demise of an investor through (KYC Registration Agencies) KRAs

Circular No: SEBI/HO/OIAE/OIAE_IAD-1/P/CIR/2023/0000000163

Dated: 3rd October, 2023*Effective Date: January 01, 2024*

Vide this Circular, SEBI has decided to introduce a centralized mechanism for reporting and verification in case of the demise of an investor and thereby smoothen the process of transmission in securities market.

This circular state out the operational norms including the obligations of regulated entities, including registered intermediaries that have interface with 'investors' / 'account holders' (used interchangeably) who are natural persons.

Listed companies wanting to provide the beneficial access to such a centralized mechanism to their investors holding securities in physical form, are eligible to establish connectivity with KRA through their RTAs.

Following are the highlights of the mechanism:

- **Verification of the death certificate** to be completed by the next working day of its receipt.
- **Updation of records in the KRA system** by the Intermediary on the same day of verification. Thereafter, the intermediary shall submit a 'KYC modification request' to the KRA and block all debit transactions in the account / folios of the deceased investor.
- **Obligations of the KRA** – The KRA shall carry out the independent validation and verification by the next working day of receipt of modification request.
- **Intimation to Intermediaries on Transmission of assets of the deceased investor** - Upon receipt of notification from KRA as "Blocked Permanently", all intermediaries shall immediately block all debit transactions in the account / folios of the deceased investor and intimate the notifier / nominee, within 5 days about the procedure for transmission.
- **Transaction request in accounts/folios flagged off as "On Hold"** - If there is any transaction request received by any intermediary in the account / folio held by it, which is flagged off as "On Hold", it shall allow the transaction only after conducting additional due diligence as may be appropriate, including through video call with the investor or In-Person Verification (IPV) which serves to establish that the investor is alive.

[Circular](#)**2. Limited relaxation from compliance with certain provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015**

Circular No.: SEBI/HO/DDHS/P/CIR/2023/0164

Dated 6th October, 2023

Reference to Existing Regulation: Regulation 58(1)(b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") provides that a listed entity shall send a hard copy of the statement containing the salient features of all the documents, as specified in Section 136 of Companies Act, 2013 and rules made thereunder to those holders of non-convertible securities who have not so registered.

MCA vide circular dated September 25, 2023, has, inter-alia, extended the relaxation from dispatching of physical copies of the financial statements (including Board's report, Auditor's report or other documents required to be attached therewith) upto September 30, 2024.

Consequently, SEBI vide this Circular, has decided to relax the requirements of regulation 58(1)(b) of the SEBI Listing Regulations up to September 30, 2024.

[Circular](#)

3. Master Circular for Depositories

Circular No.: SEBI/HO/MRD/MRD-PoD-2/P/CIR/2023/166

Dated 6th October, 2023

SEBI, from time to time, has been issuing various circulars/directions to Depositories. Further, a Master Circular in the form of a compilation of all the relevant circulars was also issued on this subject on February 05, 2021.

In order to enable the users to have access to all the applicable circulars/directions pertaining to depositories at one place, the Master Circular for Depositories has been prepared.

This Master Circular covers the relevant circulars/communications pertaining to depositories issued by SEBI upto August 31, 2023. References to the Statutes/Regulations which now stand repealed have been suitably updated in the Master Circular. This Master Circular rescinds the circulars and communications listed in Schedule A to this Master Circular.

Notwithstanding such rescission:

- a) anything done or any action taken or purported to have been done or taken under the rescinded circulars, including registrations or approvals granted, fees collected, registration or approval suspended or cancelled, any inspection or investigation or enquiry or adjudication commenced or show-cause notice issued, prior to such rescission, shall be deemed to have been done or taken under the corresponding provisions of this Master Circular;
- b) any application made to SEBI under the rescinded circulars, prior to such rescission, and pending before it shall be deemed to have been made under the corresponding provisions of this Master Circular;
- c) the previous operation of the rescinded circulars or anything duly done or suffered thereunder, any right, privilege, obligation or liability acquired, accrued or incurred under the rescinded circulars, any penalty, incurred in respect of any violation committed against the rescinded circulars, or any investigation, legal proceeding or remedy in respect of any such right, privilege, obligation, liability, penalty as aforesaid, shall remain unaffected as if the rescinded circulars have never been rescinded.

[Master Circular](#)

4. Extension in timeline for compliance with qualification and experience requirements under Regulation 7(1) of SEBI (Investment Advisers) Regulations, 2013

Circular No.: SEBI/HO/MIRSD/ MIRSD-PoD-2/P/CIR/2023/168

Dated 10th October, 2023

Regulation 7 of SEBI (Investment Advisers) Regulations, 2013, as amended, specifies the qualification and experience requirements for investment advisers and provides that an individual investment adviser or principal officer of a non-individual investment adviser registered under these regulations and persons associated with investment advice shall comply with the enhanced qualification and experience requirements specified in regulation 7(1) within a period of three years, i.e., by September 30, 2023.

Vide this Circular, SEBI has extended the timeline to comply with the enhanced qualification and experience requirements under regulation 7(1) to September 30, 2025.

[Circular](#)

5. Master Circular on Know Your Client (KYC) norms for the securities market

Circular No.: SEBI/HO/MIRSD/SECFATF/P/CIR/2023/169

Dated 12th October, 2023

SEBI has been issuing various circulars/directions from time to time on Know Your Client (KYC) norms to be followed by intermediaries in the securities market. In order to enable the users to have access to all the applicable circulars/directions at one place, this Master Circular on the captioned subject is being issued.

This Master Circular is a compilation of the circulars/directions issued by SEBI up to September 30, 2023 on the

captioned subject and includes certain modifications to align such circulars/ directions with the provisions of the Prevention of Money Laundering (Maintenance of Records) Rules, 2005 and the SEBI [KYC (Know Your Client) Registration Agency] Regulations, 2011.

Any modifications/Updation in existing KYC records, shall be effected in line with the provisions of this Circular by December 31, 2023.

Further, on and from the date of issue of this Circular, all circulars for the purpose of KYC as listed in Appendix shall stand rescinded/modified as indicated therein.

Notwithstanding such rescission,

- a) Anything done or any action taken or purported to have been done or taken under the rescinded circulars, prior to such rescission, shall be deemed to have been done or taken under the corresponding provisions of this Master Circular;
- b) Any application made to the Board under the rescinded circulars, prior to such rescission, and pending before it shall be deemed to have been made under the corresponding provisions of this Master Circular;
- c) The previous operation of the rescinded circulars or anything duly done or suffered thereunder, any right, privilege, obligation or liability acquired, accrued or incurred under the rescinded circulars, any penalty, incurred in respect of any violation committed against the rescinded circulars, or any investigation, legal proceeding or remedy in respect of any such right, privilege, obligation, liability, penalty as aforesaid, shall remain unaffected as if the rescinded circulars had never been rescinded.

[Master Circular](#)

6. Amendment to the Guidelines on Anti-Money Laundering (AML) Standards and Combating the Financing of Terrorism (CFT) /Obligations of Securities Market Intermediaries under the Prevention of Money-laundering Act, 2002 and Rules framed there under.

Circular No.: SEBI/HO/MIRSD/SEC-FATF/P/CIR/2023/0170
Dated 13th October 2023

Reference to Existing Master Circular No. SEBI/HO/MIRSD/MIRSD-SEC-5/P/CIR/2023/022 dated February 03, 2023 and amendments thereto dated June 16, 2023 on the captioned subject issued by the SEBI.

Further, the Government of India has notified Prevention of Money-laundering (Maintenance of Records) (Second Amendment) Rules, 2023, on September 4, 2023 effective from September 04, 2023. (Notification G.S.R. 652(E)).

In order to further enhance the effectiveness of the AML/CFT framework, SEBI vide this Circular, has modified certain provisions of the aforesaid Master Circular.

The detailed amended provisions shall form the part of the Circular.

[Circular](#)

7. Master Circular for Stock Exchanges and Clearing Corporations

Circular No.: SEBI/HO/AFD/SEC-1/P/CIR/2023/0155
Dated 16th October 2023

SEBI, from time to time, has been issuing various circulars/directions to Stock Exchanges and Clearing Corporations. In order to enable the users to have access to all the applicable circulars/directions at one place, Master Circular for Stock Exchanges and Clearing Corporations has been prepared.

This Master Circular covers the relevant circulars/communications pertaining to Stock Exchanges and Clearing Corporations issued by SEBI up to August 31, 2023. References in the Master Circular to the Statutes/Regulations which now stand repealed have been suitably updated.

This Master Circular rescinds the circulars and communications listed in the Schedule I to this Master Circular.

Notwithstanding such rescission:

- a) anything done or any action taken or purported to have been done or taken under the rescinded circulars, including

registrations or approvals granted, fees collected, registration or approval suspended or cancelled, any inspection or investigation or enquiry or adjudication commenced or show-cause notice issued, prior to such rescission, shall be deemed to have been done or taken under the corresponding provisions of this Master Circular;

- b) any application made to SEBI under the rescinded circulars, prior to such rescission, and pending before it shall be deemed to have been made under the corresponding provisions of this Master Circular;
- c) the previous operation of the rescinded circulars or anything duly done or suffered thereunder, any right, privilege, obligation or liability acquired, accrued or incurred under the rescinded circulars, any penalty, incurred in respect of any violation committed against the rescinded circulars, or any investigation, legal proceeding or remedy in respect of any such right, privilege, obligation, liability, penalty as aforesaid, shall remain unaffected as if the rescinded circulars have never been rescinded.

[Master Circular](#)

8. Ease of doing business and development of corporate bond markets – revision in the framework for fund raising by issuance of debt securities by large corporates (LCs)

Circular No.: SEBI/HO/DDHS/DDHS-POD1/P/CIR/2023/172

Dated 19th October 2023

Reference to Existing Regulation: Regulation 50B of SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021 (NCS Regulations) read with Chapter XII of the NCS Master Circular on ‘Fund raising by issuance of debt securities by large corporates’ (LC Chapter), inter-alia, mandates LCs to raise a minimum 25% of their incremental borrowings in a financial year through issuance of debt securities which were to be met over a contiguous block of three years from Financial Year (FY) 2022 onwards.

Taking into account prevailing market conditions and representations from market participants, SEBI vide this Circular, has revised the framework for fund raising by issuance of debt securities by LCs as specified:

Applicability of the framework: This framework is applicable with effect from April 01, 2024 for LCs following April-March as their financial year. This framework is applicable with effect from January 01, 2024, for LCs which follow January-December as their financial year.

The framework shall be applicable for all listed entities (except for Scheduled Commercial Banks), which as on last day of the FY (i.e. March 31 or December 31):

- a) have their specified securities or debt securities or non-convertible redeemable preference shares listed on a recognised Stock Exchange(s) in terms of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (LODR Regulations); and
- b) have outstanding long term borrowings of Rs.1000 crore or above; and
- c) have a credit rating of "AA/ AA+/ AAA", where the credit rating relates to the unsupported bank borrowing or plain vanilla bonds of an entity, which have no structuring/ support built in.

Framework: A listed entity, fulfilling the above specified criteria, shall be considered as a “Large Corporate” (LC).

An LC shall raise not less than 25% of its qualified borrowings by way of issuance of debt securities in the financial years subsequent to the financial year in which it is identified as an LC.

Further, from FY 2025 onwards, the requirement of mandatory qualified borrowing by an LC in a FY shall be met over a contiguous block of three years.

Responsibilities of Stock Exchanges: Pursuant to submission of financial results by listed entities as per regulations 33 and 52 of LODR Regulations, the Stock Exchanges shall, by June 30, or by March 31 depending on their financial year, as applicable, determine the list of LCs for the financial year.

The Stock Exchanges shall co-ordinate and release a uniform list of LCs for the financial year and place the same on their websites. They shall also notify listed entities so identified as LCs by email, to enable them to comply with the requirements.

Responsibilities of the Limited Purpose Clearing Corporations (LPCC): The LPCC shall make changes and put in place necessary infrastructure and system for LCs to comply with the provisions of incentive and dis-incentive w.r.t contribution to the core Settlement Guarantee Fund (SGF). They shall also co-ordinate with the Stock Exchanges to ensure that LCs comply with these provisions.

This circular shall come into force with immediate effect and shall replace the present Chapter XII of the NCS Master Circular w.e.f. the FY 2025. The provisions of this circular shall be appropriately incorporated in Chapter XII of the NCS Master Circular.

[Circular](#)

9. Guidelines for Business Continuity Plan (BCP) and Disaster Recovery (DR) of Qualified RTAs (QRTAs)

Circular No.: SEBI/HO/IMD/IMD-TPD-1/P/CIR/2023/173

Dated 20th October 2023

Qualified Registrar and Transfer Agents (QRTAs) (i.e. RTAs having more than 2 Crore folios) are systemically important institutions as they, inter-alia, provide infrastructure necessary for the smooth and uninterrupted functioning of the securities market. As part of the operational risk management, these QRTAs need to have high level of resiliency to provide essential facilities and perform systemically critical functions uninterruptedly in the securities market.

Vide this circular, SEBI has decided to issue guidelines for strengthening overall resiliency, the procedures at / governance of QRTAs for handling disruption, augmentation of systems and practices to achieve better Recovery Time Objective (“RTO”) and Recovery Point Objective (“RPO”), and to improve overall preparedness by conducting periodic announced / unannounced drills.

Hence, QRTAs are required to comply with the following framework for BCP and DR:

1. Organizational Resilience and Documentation:

- QRTAs shall have in place Business Continuity Plan (BCP) and Disaster Recovery Site (DRS) so as to ensure continuity of operations, maintain data and transaction integrity.
- All QRTAs shall constitute an Incident and Response team (IRT)/ Crisis Management Team (CMT), which shall be chaired by the Managing Director (MD) of the QRTA or by the Chief Technology Officer (CTO), in case of non-availability of MD.

2. Configuration of DRS/NS with PDC:

- Apart from DRS, all QRTAs shall also have a Near Site (NS) to ensure zero data loss. The DRS should preferably be set up in different seismic zones and in case due to certain reasons such as operational constraints, change of seismic zones, etc., minimum distance of 500 kilometre shall be ensured between PDC and DRS so that both DRS and PDC are not affected by the same disaster.

3. DR drills/Testing:

- QRTAs shall conduct periodic training programs to enhance the preparedness and awareness level among its employees and outsourced staff, vendors, etc. as per BCP policy.
- DR drills should be conducted on a quarterly basis. These drills should be closer to real life scenario (trading days) with minimal notice to DRS staff involved.

4. BCP –DR Policy Document:

QRTAs shall put in place a comprehensive BCP-DR policy document outlining the broad scenarios, SOP, Escalation hierarchy, clear and comprehensive Communication Protocols etc.

[Circular](#)

MCA

1. Companies (Incorporation) Third Amendment Rules, 2023

G.S.R. 790(E)

Dated: 20th October, 2023

Effective Date: October 21, 2023

Vide this notification, MCA has amended the Companies (Incorporation) Rules, 2014.

Amendment has been made in Rule 30 pertaining to **Shifting of Registered office from one State or Union Territory to another state.**

In sub rule 9, after the proviso, the following new proviso has been inserted:

“Provided further that where the management of the company has been taken over by new management under a resolution plan approved under section 31 of the Insolvency Bankruptcy Code, 2016 (31 of 2016) and no appeal against the resolution plan is pending in any Court or Tribunal and no inquiry, inspection, investigation is pending or initiated after the approval of the said resolution plan, the shifting of the registered office may be allowed.”

[Notification](#)

2. Limited Liabilities Partnership (Third Amendment) Rules, 2023

G.S.R. 803(E)

Dated: 27th October, 2023

Vide this notification, MCA has amended the Limited Liability Partnership Rules, 2009.

Following is the gist of the amendments:

1. After Rule 22, the following new Rule 22A and 22B has been inserted:

22A. Register of Partners:

(1) Every limited liability partnership shall, from the date of its incorporation, maintain a register of its partners in Form 4A which shall be kept at the registered office of the limited liability partnership:

Provided that in the case of limited liability partnership existing on the date of commencement of the Limited Liability Partnership (Third Amendment) Rules, 2023, shall maintain the register of partners in Form 4A within thirty days from such commencement.

(2) The register of partners shall contain the specified particulars, in respect of each partner.

(3) The entries in the register maintained under this rule shall be made within seven days pursuant to any change made in the contribution amount, or in name and details of the partners in the Limited Liability Partnership agreement, or in cases of cessation of partnership interest.

(4) If any rectification is made in the register maintained under this rule by the Limited Liability Partnership pursuant to any order passed by the competent authority under any law, the necessary reference of such order shall be indicated in the respective register and for reasons to be recorded in writing.

22B. Declaration in respect of beneficial interest in any contribution:

(1) A person whose name is entered in the register of partners of a Limited Liability Partnership but does not hold any beneficial interest fully or partly in contribution (hereinafter referred to as “the registered partner”), such person shall file with the Limited Liability Partnership, a declaration to that effect in Form 4B within a period of thirty days from the date on which his name is entered in the register of partners specifying the name and other particulars of the person who actually holds any beneficial interest in such contributions:

Provided that where any change occurs in the beneficial interest in such contribution, the registered partner shall, within a period of thirty days from the date of such change, make a declaration of such change to the limited liability partnership in Form 4B.

(2) Every person who holds or acquires a beneficial interest in contribution of a Limited Liability Partnership but his name is not registered in the register of partners (hereinafter referred to as “the beneficial partner”) shall file with Limited Liability Partnership, a declaration disclosing such interest in Form 4C within a period of thirty days after acquiring such beneficial interest in the contribution of the Limited Liability Partnership specifying the nature of his interest, particulars of the partner in whose name the contribution stand registered in the books of the limited liability partnership:

Provided that where any change occurs in the beneficial interest in such contribution, the beneficial partner shall, within a period of thirty days from the date of such change, make a declaration of such change to the limited liability partnership in Form 4C.

Provided further that if the beneficial interest of registered partner is limited to the contribution stated against his name in the register of partners but he does not hold beneficial interest in contribution against any other registered partner, then, he shall not be required to file such declaration.

(3) Where any declaration under sub-rule (1) or sub-rule (2) is received by the Limited Liability Partnership, the Limited Liability Partnership shall record such declaration in the register of partners and shall file, within a period of thirty days from the date of receipt of declaration by it, a return in Form 4D to the Registrar in respect of such declaration with fees.

(4) Every Limited Liability Partnership shall specify a designated partner who shall be responsible for furnishing of and extending co-operation for providing, information with respect to beneficial interest in contribution in Limited Liability Partnership to the Registrar or any other officer authorised by the Central Government and shall file information of such designated partner with the Registrar in Form 4:

Provided that until a designated partner is specified under sub-rule (4), every designated partner shall be deemed to be responsible for furnishing of, and extending co-operation for providing, information with respect to beneficial interest in contribution under this sub-rule.

2. Form 4 has been substituted with the following new forms:

1. Form 4 - Notice of appointment, cessation, change in name/ address/designation of a designated partner or partner and consent to become a partner/designated partner/declaration of designated partner with respect to beneficial interest.

2. Form 4A - Register of Partners

3. Form 4B - Declaration by the Registered Partner who does not hold the beneficial interest in the Contribution

4. Form 4C - Declaration by the Partner who holds or acquires beneficial interest in the Contribution but whose name is not entered in the Register of Partners

5. Form 4D - Return to the Registrar in respect of declaration of beneficial interest in contribution received by the LLP

[Notification](#)

3. Companies (Prospectus and Allotment of Securities) Second Amendment Rules, 2023

G.S.R. 802(E)

Dated: 27th October, 2023

Vide this notification, MCA has amended the Companies (Prospectus and Allotment of Securities) Rules, 2014.

Following is the gist of the amendments:

1. In Rule 9 pertaining to **dematerialization of securities**, the following sub-rules shall be inserted, namely: -

(2) Every public company which issued share warrants prior to commencement of the Companies Act, 2013 (18 of 2013) and not converted into shares shall, -

(a) within a period of three months of the commencement of the Companies (Prospectus and Allotment of Securities) Second Amendment Rules, 2023 inform the Registrar about the details of such share warrants in Form PAS-7; and

(b) within a period of six months of the commencement of the Companies (Prospectus and Allotment of Securities) Second Amendment Rules, 2023, require the bearers of the share warrants to surrender such warrants to the company and get the shares dematerialized in their account and for this purpose the company shall place a notice for the bearers of share warrants in Form PAS-8 on the website of the company, if any and shall also publish the same in a newspaper in the vernacular language which is in circulation in the district and in English language in an English newspaper, widely circulated in the State in which the registered office of the company is situated.

(3) In case any bearer of share warrant does not surrender the share warrants within the period referred to in sub-rule (2), the company shall convert the such share warrants into dematerialized form and transfer the same to the Investor Education and Protection Fund established under section 125 of the Act.”

2. After Rule 9A, a new Rule 9B pertaining to **Issue of securities in dematerialized form by private companies** shall be inserted:

(1) Every private company, other than a small company, shall within the period referred to in sub-rule (2) -

(a) issue the securities only in dematerialized form; and

(b) facilitate dematerialization of all its securities,

in accordance with provisions of the Depositories Act, 1996 (22 of 1996) and regulations made thereunder.

(2) A private company, which as on last day of a financial year, ending on or after 31st March, 2023, is not a small company as per audited financial statements for such financial year, shall, within eighteen months of closure of such financial year, comply with the provisions of this rule.

(3) Every private company referred to in sub-rule (2) making any offer for issue of any securities or buyback of securities or issue of bonus shares or rights offer, after the date when it is required to comply with this rule, shall ensure that before making such offer, entire holding of securities of its promoters, directors, key managerial personnel has been dematerialized in accordance with the provisions of the Depositories Act, 1996 (22 of 1996) and regulations made thereunder.

(4) Every holder of securities of the private company referred to in sub-rule (2)-

(a) who intends to transfer such securities on or after the date when the company is required to comply with this rule, shall get such securities dematerialized before the transfer; or

(b) who subscribes to any securities of the concerned private company whether by way of private placement or bonus shares or rights offer on or after the date when the company is required to comply with this rule shall ensure that all his securities are held in dematerialized form before such subscription.

(5) The provisions of sub-rules (4) to (10) of rule 9A shall, mutatis mutandis, apply to the dematerialization of securities under this rule.

(6) The provisions of this rule shall not apply in case of a Government company.”.

3. In the Annexure to the said rules, after the Form PAS-6, the following new Forms shall be inserted, namely:

1. Form PAS-7: Details of pending share warrants

2. Form PAS-8: Notice for bearers of pending share warrants

Notification

4. Companies (Management and Administration) Second Amendment Rules, 2023

G.S.R. 801(E)

Dated: 27th October, 2023

Vide this notification, MCA has amended the Companies (Management and Administration) Rules, 2014.

Following is the gist of the amendments:

1. In rule 9 pertaining to declaration in respect of Beneficial Interest in any shares, after sub-rule (3), the following subrules shall be inserted, namely:-

“(4) Every company shall designate a person who shall be responsible for furnishing, and extending co-operation for providing, information to the Registrar or any other authorised officer with respect to beneficial interest in shares of the company.

(5) For the purpose of sub-rule (4), the company may designate-

- (i) a company secretary, if there is a requirement of appointment of such company secretary under the Act and the rules made thereunder; or
- (ii) a key managerial personnel, other than the company secretary; or
- (iii) every director, if there is no company secretary or key managerial personnel.

(6) Until a person is designated as referred under sub-rule (4), the following persons shall be deemed to have been designated person;

- (i) company secretary, if there is a requirement of appointment of such company secretary under the Act and the rules made thereunder; or
- (ii) every Managing Director or Manager, in case a company secretary has not been appointed; or
- (iii) every director, if there is no company secretary or a Managing Director or Manager.

(7) Every company shall inform the details of the designated person in Annual return.

(8) If the company changes the designated person at any time, it shall intimate the same to the Registrar in e-form GNL-2 specified under the Companies (Registration Offices and Fees) Rules, 2014.

[Notification](#)

Disclaimer:

This is not a complete listing of all circulars/notifications issued during the month.
Instead it is only a listing of some of the circulars/notifications that we considered important.



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