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31 जनवरी 2019

मेवाड़ चेम्बर पत्रिका

(मेवाड़ चेम्बर ऑफ कामर्स एण्ड इण्डस्ट्री का मासिक पत्र)

उदयपुर, चित्तौड़गढ़, डूंगरपुर, बाँसवाड़ा, प्रतापगढ़

राजसमन्द एवं भीलवाड़ा का सम्भागीय चेम्बर



**Hon'ble Shri Piyush Goyal, Finance Minister with team of Finance Ministry
Presenting Interim Budget 2019-20**

मेवाड़ चेम्बर ऑफ कामर्स एण्ड इण्डस्ट्री

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Confederation of Indian Industry (CII)

National Institute for Entrepreneurship and Small Business Development (NIESBUD), New Delhi.

Confederation of All India Traders, New Delhi

AT THE STATE LEVEL

Rajasthan Chamber of Commerce & Industry, Jaipur.

The Employers Association of Rajasthan, Jaipur.

Rajasthan Textile Mills Association, Jaipur

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- All India Power loom Board, Ministry of Textile, Govt. of India, New Delhi
- National Coal Consumer Council, Coal India Ltd., Kolkata
- State Level Tax Advisory Committee, Govt. of Rajasthan, Jaipur
- State Level Industrial Advisory Committee, Govt. of Rajasthan, Jaipur
- Regional Advisory Committee, Central Excise, Jaipur
- Foreign Trade Advisory Committee, Public Grievance, Customs, Jaipur
- DRUCC/ZRUCC of North Western Railways

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BUDGET SUMMARY WITH MAJOR HIGHLIGHTS OF THE INTERIM BUDGET 2019-20

Interim Budget 2019-20 was presented in Parliament today by the Union Minister for Finance, Corporate Affairs, Railways & Coal, Shri Piyush Goyal. Besides having a major Scheme for the farmers, it provides tax sops and sets the Developmental Agenda for the years to come.

A New Deal for 12 Crore Small and Marginal farmers with direct income support, a path breaking Pension initiative for 10 Crore unorganized sector workers, exempting income up to Rs 5 lakhs from Income Tax, reforms in stamp duty, highest ever budgetary allocation of Rs 3 lakh crore for Defence, record allocation of funds at Rs 58,166 crore for North Eastern Areas, a new AIIMS for Haryana, single window clearance for Indian film makers at par with foreigners and higher budgetary allocations for Education, Health, Infrastructure and for the welfare of weaker sections including Scheduled Castes and Scheduled Tribes, a Separate Department of Fisheries for welfare of 1.5 crore fisherman are some of the major highlights of the Interim Budget 2019-20.

Major Schemes

New Scheme- namely “**Pradhan Mantri Kisan Samman Nidhi (PM-KISAN)**” to extend direct income support at the rate of Rs. 6,000 per year to farmer families, having cultivable land upto 2 hectares is announced.

While presenting the Interim Budget 2019-20, the Union Minister for Finance, Corporate Affairs, Railways & Coal, Shri Piyush Goyal said that “our Government is launching a historic programme PM-KISAN with an outlay of Rs.75,000 crore for the FY 2019-20 and Rs.20,000 crore in the Revised Estimates of FY 2018-19”.

Under this Government of India funded Scheme, Rs.2,000 each will be transferred to the bank accounts of around 12 crore Small and Marginal farmer families, in three equal installments. This programme would be made effective from 1st December 2018 and the first installment for the period upto 31st March 2019 would be paid during this year itself, Shri Piyush Goyal said.

To provide sustained and focused attention towards development of Fisheries, the Government has decided to create a separate **Department of Fisheries**. Finance Minister said that through the measure, the Government wants to promote further growth over 7% to promote livelihood of about 1.45 crore people dependent on the sector.

The Finance Minister announced 2% interest subvention to the farmers pursuing the activities of animal husbandry and fisheries, who avail loan through Kisan Credit Card. Further, in case of timely repayment of loan, they will also get an additional 3% interest subvention.

Allocation of Rs.750 crore for Rashtriya Gokul Mission has been announced for the current year itself. Setting up of "Rashtriya Kamdhenu Aayog" to upscale sustainable genetic upgradation of cow resources and to enhance production and productivity of cows has also been announced. The Aayog will also look after effective implementation of laws and welfare schemes for cow.

To provide pensionary benefits to at least 10 crore labourers and workers in the unorganised sector a new Scheme called '**Pradhan Mantri Shram-Yogi Maandhan**' is announced. The Finance Minister said that within next five years it would be one of the largest pension schemes of the world. A sum of Rs.500 crore has been allocated for the Scheme. Additional funds will be provided as needed, Shri Goyal added. The scheme will also be implemented from the current year, he said.

Tax Benefits

Individual taxpayers having taxable annual income up to Rs.5 lakhs will not be required to pay any income tax. The Finance Minister said that persons having gross income up to Rs. 6.50 lakhs are not required to pay any income tax if they make investments in provident funds, specified savings and insurance etc. Additional deductions such as interest on home loan up to Rs. 2 lakh, interest on education loans, National Pension Scheme contributions, medical insurance and medical expenditure on senior citizens etc, are also provided for in the Interim Budget 2019-20. Thus tax benefit of Rs. 18,500 crore is proposed to be provided to an estimated 3 crore middle class and small taxpayers comprising self employed, small business, small traders, salary earners, pensioners and senior citizens.

For salaried persons, Standard Deduction is being raised from the current Rs.40,000 to Rs.50,000. This will provide additional tax benefit of Rs. 4,700 crore to more than 3 crore salary earners and pensioners.

Exemption on levy of income tax on notional rent on a second self-occupied house is also now proposed. Currently, income tax on notional rent is payable if one has more than one self-occupied house.

TDS threshold on interest earned on bank/post office deposits is being raised from Rs.10,000 to Rs.40,000.

TDS threshold for deduction of tax on rent is proposed to be increased from Rs. 1,80,000 to Rs.2,40,000 for providing relief to small taxpayers.

The Finance Minister says that the Government wants the GST burden on home buyers to be reduced and accordingly the GST Council was moved to appoint a Group of Ministers to examine and make recommendations in this regard at the earliest.

Shri Goyal said that soon, businesses comprising over 90% of GST payers will be allowed to file quarterly return.

Inflation

The Finance Minister said that the Government has been successful in bringing down average inflation to 4.6% over last five years, which is lower than the inflation during the tenure of any other Government. In fact Inflation in December 2018 was down to 2.19% only. Shri Goyal said if we had not controlled inflation, our families would have been spending around 35-40% more today on basic necessities such as food, travel, consumer durables, housing etc. The average rate of inflation during previous five years 2009-2014 was a backbreaking 10.1%, he pointed out.

Fiscal Deficit

The fiscal deficit has been brought down to 3.4% in 2018-19 RE from the high of almost 6% seven years ago, the Finance Minister mentioned. He said, the Current Account Deficit (CAD), against a high of 5.6% six years ago, is likely to be only 2.5% of GDP this year. “We contained the fiscal deficit notwithstanding the Finance Commission's recommendations increasing the share of the States from 32% to 42% in central taxes, which we accepted in the true spirit of cooperative federalism, thereby transferring significantly higher amounts to the States”, Shri Goyal said.

Growth and FDI

The Finance Minister Shri Piyush Goyal stated that a stage for high growth in decades to come, has now been set, after a wave of next generation path breaking structural reforms over the last five years, including introduction of Goods and Services Tax (GST) and other taxation reforms.

The country witnessed its best phase of macro-economic stability during the last five years. “We are the fastest growing major economy in the world with an annual average GDP growth during last five years higher than the growth achieved by any Government since economic reforms began in 1991. From being the 11th largest economy in the world in 2013-14, we are today the 6th largest in the world”, the Finance Minister asserted in his Opening Remarks of his Budget speech.

Shri Goyal said that due to such a stable and predictable regulatory regime, growing economy and strong fundamentals, India could attract massive amount of as much as \$239 billion of Foreign Direct Investment (FDI) during the last 5 years, when most of the FDI was allowed to come in through the automatic route.

Enhanced allocations for major Schemes

Announcing an allocation of Rs.60,000 crores for MGNREGA for Budget Estimates 2019-20, the Finance Minister said that additional allocations will be made, if required.

Pradhan Mantri Gram Sadak Yojana (PMGSY) is being allocated Rs.19,000 crore in BE 2019-20 as against Rs.15,500 crore in RE 2018-19. During the period 2014-18, a total number of 1.53 crore houses have been built under the Pradhan Mantri Awas Yojana, he announced.

By March, 2019, all households will be provided with electricity connection. Till now, 143 crore LED bulbs have been provided in a mission mode which has resulted in saving of Rs.50,000 crore for the poor and middle class.

He said through the world's largest healthcare programme, Ayushman Bharat, to provide medical treatment to nearly 50 crore people in the country, around 10 lakh patients have already benefited through free treatment for medical treatment which would have otherwise cost them Rs. 3,000 crore. Lakhs of poor and middle class people are also benefiting from reduction in the prices of essential medicines, cardiac stents and knee implants, and availability of medicines at affordable prices through Pradhan Mantri Jan Aushadhi Kendras, the Finance Minister added.

Shri Goyal also said that 14 of the 21 AIIMS operating or being established in the country presently have been announced since 2014. He also announced setting up of a new - the 22nd AIIMS in Haryana.

Allocation for Integrated Child Development Scheme (ICDS) is being increased from Rs.23,357 crore in RE 2018-19 to Rs.27,584 crore in BE 2019-20.

A substantial increase is proposed in the allocation for welfare of the Scheduled Castes and Scheduled Tribes. The allocation of Rs.56,619 crore made in BE of 2018-19 for Scheduled Caste, further increased to Rs.62,474 crore in RE is proposed to be

enhanced to Rs.76,801 crore in BE for 2019-20, an increase of 35.6% over BE of 2018-19. For the Scheduled Tribes also, proposed allocation in 2019-20 BE is Rs.50,086 crore as against Rs.39,135 crore in BE 2018-19, an increase of 28%.

The Finance Minister said that a Welfare Development Board to frame special strategies for the benefit of the hard-to-reach De-notified, Nomadic and Semi-Nomadic communities will be set up under the Ministry of Social Justice and Empowerment. He said that a Committee under NITI Aayog will also be set up to complete the task of identifying De-notified, Nomadic and Semi-Nomadic communities not yet formally classified.

Shri Goyal said under the Ujjwala Yojana aiming delivery of 8 crore free LPG connections, more than 6 crore connections have already been given and the remaining will get free gas connections by next year.

The Finance Minister announced that a National Artificial Intelligence Portal will also be developed soon as a part of the National Programme on 'Artificial Intelligence'.

The Department of Industrial Policy and Promotion will now be renamed as the Department for Promotion of Industries and Internal Trade.

The Finance Minister stated that the Government e-Marketplace (GeM), created by the present Government two years ago, resulted in average savings of 25-28% and the platform will now be extended to all CPSEs. Transactions of over Rs. 17,500 crore have taken place so far.

The Finance Minister announced that for the first time, the country's Defence Budget will be of over Rs.3 lakh crore.

The Finance Minister, Shri Piyush Goyal pointed-out that domestic air traffic passengers have doubled during the last five years, leading to large number of jobs also being created. The number of operational airports has crossed 100 with the commissioning of the Pakyong airport in Sikkim. Arunachal Pradesh came on the air map recently and Meghalaya, Tripura and Mizoram have come on India's rail map for the first time.

Capital support from the budget for Indian Railways is proposed at Rs.64,587 crore in 2019-20 (BE). The Railways' overall capital expenditure programme is of Rs. 1,58,658 crore. The Finance Minister, who is also holding the portfolio of Railway Ministry, announced that the Operating Ratio is expected to improve from 98.4% in 2017-18 to 96.2% in 2018-19 (RE) and further to 95% in 2019-20 (BE).

India's installed solar generation capacity has grown over ten times in last five years. Stating this, Shri Goyal said that “our commitment to promote renewable energy is reflected in setting up the International Solar Alliance, the first treaty based international inter-governmental organisation headquartered in India. This sector is now creating lakhs of new age jobs, he added.

The Finance Minister announced that in Entertainment industry, which is a major employment generator, regulatory provisions will now rely more on self-declarations. To promote entertainment industry, the Single window clearance for ease of shooting films, now available only to foreigners, will also be made available to Indian filmmakers. “We will also introduce anti-camcording provisions in the Cinematograph Act to control the menace of piracy”, he said.

Saying that “We are poised to become a Five Trillion Dollar Economy in the next five years and aspire to become a Ten Trillion Dollar Economy in the next 8 years thereafter”, Shri Piyush Goyal said that there has been a Growth of 18% in Direct Tax Collections in 2017-18 and increase in tax base by as many as 1.06 crore people filing income tax returns for the first time in FY 2017-18, mainly on account of demonetization.

Shri Goyal said that he is proposing, through the Finance Bill, necessary amendments to levy Stamp duties on one instrument relating to one transaction and get collected at one place through the Stock Exchanges. The duty so collected will be shared with the State Governments seamlessly on the basis of domicile of buying client, he said.

In all the total expenditure is to increase from Rs.24,57,235 crore in 2018-19 RE to Rs.27,84,200 crore in 2019-20 BE. A rise of Rs.3,26,965 crore or approximately 13.30%. This reflects a high increase considering low inflation. The fiscal deficit of year 2019-20 is estimated to be 3.4% of GDP.

The Finance Minister pointed out that after completion of the fiscal deficit consolidation programme, the Government would now focus on Debt consolidation. He said “We have maintained the glide path towards our target of 3% of fiscal deficit to be achieved by 2020-21. India's Debt to GDP ratio was 46.5% in year 2017-18. The FRBM Act prescribes that the Debt to GDP ratio of the Government of India should be brought down to 40% by 2024-25. “Along with completion of the fiscal deficit consolidation programme, we will now focus on Debt consolidation”, he added.

मेनमेड फाइबर यार्न पर जीएसटी की दर 12 प्रतिशत से घटाकर 5 प्रतिशत करने की मांग

मेवाड चेम्बर ऑफ कॉमर्स एण्ड इण्डस्ट्री की ओर से माननीय केन्द्रीय वित्त मंत्री, राजस्व सचिव एवं जीएसटी सचिवालय को प्रतिवेदन भेजकर मेनमेड फाइबर यार्न पर जीएसटी की दर 12 प्रतिशत से घटाकर 5 प्रतिशत करने की मांग की है।

मेनमेड यार्न पर 12 प्रतिशत तथा उससे बनने वाले कपड़े पर 5 प्रतिशत जीएसटी लिया जा रहा है। इसके बदले सात प्रतिशत जीएसटी राशि को 1 अगस्त 2018 से रिफंड के रूप में देने की घोषणा की गई है। इस प्रक्रिया में सरकार व औद्योगिक समूह दोनों को बड़ी परेशानी है। व्यापारी जीएसटी पोर्टल पर रिफण्ड आवेदन की प्रक्रिया एवं अभी तक रिफण्ड नहीं मिलने से परेशान है।

देश व भीलवाड़ा में मुख्य रूप से दो तरह के यार्न काम में आते हैं। पहला कॉटन यार्न जिस पर जीएसटी 5 प्रतिशत है। दूसरा मेनमेड फाइबर यार्न पर 12 प्रतिशत जीएसटी है। जबकि कपड़े पर 5 प्रतिशत जीएसटी ली जा रही है। यानी 12 प्रतिशत जीएसटी देकर 5 प्रतिशत जीएसटी ही वसूल हो पा रही है, इसके बीच में 7 प्रतिशत का अन्तर आ रहा है। इस अन्तर राशि को लेकर पिछले एक साल से मेवाड चेम्बर ने मांग उठाई तो इसका समाधान जीएसटी कॉउंसिल ने करते हुए एक अगस्त 2018 से जीएसटी रिफण्ड करने के आदेश तो जारी कर दिए लेकिन देश के किसी भी टेक्सटाइल उद्यमी को अभी तक इन पांच माह में रिफण्ड नहीं मिला। इसके चलते देश भर के हजारों व्यापारी परेशान हैं। तो विभाग के अधिकारी भी इस मुद्दे को लेकर खासे परेशान हैं।

अगर देश भर के व्यापारियों को सरकार राहत देना चाहती है तो वह यार्न पर 12 प्रतिशत के स्थान पर 5 प्रतिशत जीएसटी कर दे। इससे भीलवाड़ा के लगभग दो हजार से अधिक तथा देश में हजारों व्यापारियों को राहत मिलेगी। क्योंकि इन सभी को न तो रिफण्ड के लिए पोर्टल पर आवेदन करना पड़ेगा और साथ ही विभाग पर कार्यभार कम होगा।

जीएसटी काउंसिल में इस मुद्दे को लेकर एक बार चर्चा भी चुकी है, लेकिन फिलहाल इस प्रस्ताव को लम्बित कर रखा है। यार्न पर 5 प्रतिशत जीएसटी होती है तो सरकार को किसी तरह का राजस्व का भी नुकसान तक नहीं होगा। सरकार ऐसा करके देश भर के व्यापारियों को राहत प्रदान करेगी।



उत्तर पश्चिम रेलवे के महाप्रबंधक का स्वागत

उत्तर पश्चिम रेलवे के महाप्रबंधक श्री टी पी सिंह का 11 जनवरी 2019 को अपनी अधिकारिक यात्रा पर भीलवाड़ा आगमन हुआ। अजमेर मण्डल के मण्डल प्रबंधक श्री आर के कश्यप एवं अन्य अधिकारीगण उनके साथ थे। भीलवाड़ा आगमन पर मेवाड चेम्बर की ओर से वरिष्ठ उपाध्यक्ष श्री जे के बागडोदिया, मानद महासचिव श्री आर के जैन, पूर्व मानद महासचिव श्री एस पी नाथानी, कोषाध्यक्ष एवं जेडआरयूसीसी सदस्य श्री विनोद मानसिंगका एवं अन्य वरिष्ठ सदस्यों ने पुष्पगुच्छ से श्री टी पी सिंह एवं श्री आर के कश्यप का स्वागत किया। इस अवसर पर श्री सिंह ने रेलवे स्टेशन के पश्चिम की ओर बन रहे नये प्रवेश द्वार एवं अन्य कार्यों का अवलोकन किया।

श्री टी पी सिंह ने इस अवसर पर मेवाड चेम्बर के प्रतिनिधिमण्डल से भीलवाड़ा में रेलवे स्टेशन के विकास, रेल सुविधाओं एवं अन्य विषयों पर गहन चर्चा की। मेवाड चेम्बर की ओर से श्री सिंह को एक विस्तृत प्रतिवेदन दिया गया, जो कि यहां दिया जा रहा है।



ईपीसीजी के तहत केपीटल गुड्स आयात में आईजीएसटी भुगतान मुक्त करने हेतु

जीएसटी पद्धति प्रभावी होने से पूर्व टेक्सटाइल उद्योग को केपीटल गुड्स आयात में किसी प्रकार की कस्टम ड्यूटी, सीवीडी, एसएडी आदि का भुगतान नहीं करना होता था। जीएसटी पद्धति के तहत केपीटल गुड्स आयात पर आईजीएसटी का भुगतान लागू कर दिया गया। इसके तहत टेक्सटाइल उद्योग का आधुनिकीकरण एवं विस्तार अवरुद्ध हो गया। मेवाड चेम्बर के प्रतिवेदन पर जीएसटी कॉन्सिल ने केपीटल गुड्स आयात को आईजीएसटी भुगतान से मुक्त करने के लिए पहले सितम्बर 2018 तक एवं बाद पुनः मेवाड चेम्बर के प्रतिवेदन पर 31 मार्च 2019 तक छुट घोषित की।

चूंकि उद्योगों द्वारा केपीटल गुड्स के आयात लम्बी अवधि की योजना बनाकर किया जाता है। विदेशों से आयात हेतु मशीनों के इन्सपेक्शन, आर्डर एवं डिलेवरी में काफी समय लगता है। टेक्सटाइल उद्योग के आधुनिकीकरण की आवश्यकता को देखते हुए मेवाड चेम्बर ने कर भुगतान की छुट को 31 मार्च 2020 तक बढ़ाने के लिए केन्द्रीय वित्त मंत्री, वित्त सचिव, जीएसटी कॉन्सिल आदि को कई प्रतिवेदन प्रेषित है।

इन्वर्टेड ड्यूटी रिफण्ड में आ रही समस्याओं के सम्बन्ध में

टेक्सटाइल उद्योग में मेनमेड फाइबर यार्न पर 12 प्रतिशत जीएसटी एवं कपड़े पर 5 प्रतिशत जीएसटी होने से एवं विविंग उद्योग को ड्यूटी रिफण्ड के प्रावधान नहीं होने से पूरा टेक्सटाइल उद्योग संकट में आ गया। मेवाड चेम्बर के सतत प्रयासों से केन्द्र सरकार ने 1 अगस्त 2018 से प्रभावी इन्वर्टेड ड्यूटी रिफण्ड की घोषणा की। लेकिन जीएसटी पोर्टल पर कई तकनीकी कारणों से उद्यमी रिफण्ड आवेदन ही पूरा नहीं भर पा रहे हैं एवं ऑनलाइन रिफण्ड आवेदन सबमिट ही नहीं हो पा रहा है। मेवाड चेम्बर की ओर से विभिन्न तकनीकी बिन्दुओं को विस्तार से प्रस्तुत करते हुए वित्त मंत्रालय एवं जीएसटी कौन्सिल को प्रतिवेदन भेजकर इनके समाधान के प्रयास किये जा रहे हैं, ताकि विविंग उद्योगों को करोड़ों रुपये से अधिक का लम्बित ड्यूटी रिफण्ड प्राप्त हो सके।

टेक्सटाइल उद्योग को टफ योजना में आ रही समस्याओं के निदान हेतु

पिछले कुछ माह से टेक्सटाइल उद्योग को टफ योजना से संबंधित कई समस्याओं का सामना करना पड़ रहा है। उद्योगों को पिछले तीन क्वार्टर से ब्याज एवं केपीटल अनुदान की राशि प्राप्त नहीं हो रही है। योजना के अर्न्तगत नई मशीनें लगाने पर आवश्यक जॉयन्ट इन्सपेक्शन होने के बाद भी एक वर्ष से अधिक समय से केपीटल अनुदान प्राप्त नहीं हुआ है। जॉयन्ट इन्सपेक्शन में बहुत छोटे-छोटे तकनीकी बिन्दुओं पर रिपोर्ट को रिजेक्ट किया जा रहा है, आर-टफ से ए-टफ में परिवर्तन के बाद यूआईडी नम्बर जारी नहीं हो रहे हैं। इन सभी समस्याओं को लेकर मेवाड चेम्बर ऑफ कॉमर्स एण्ड इण्डस्ट्री की ओर से भारत सरकार की कपड़ा मंत्री माननीया श्रीमति स्मृति ईरानी, वस्त्र सचिव, वस्त्र आयुक्त मुम्बई एवं क्षेत्रीय कार्यालय नोएडा को कई प्रतिवेदन भेजे जाकर समस्याओं के निराकरण का प्रयास किया जा रहा है।

भीलवाडा होकर दो नई रेलगाडियां प्रारम्भ

इन्दौर की सांसद एवं लोकसभा स्पीकर एवं मेवाड चेम्बर के प्रयासों से पश्चिम रेलवे की ओर से ट्रेन संख्या 19333 / 19334 इन्दौर से भीलवाडा होते हुए बीकानेर के लिए एवं ट्रेन संख्या 19337 / 19338 इन्दौर से दिल्ली सराय रोहिल्ला के लिए प्रारम्भ की गई है। 18 जनवरी 2019 को इन्दौर रेलवे स्टेशन पर सायं 4 बजे माननीय लोकसभा स्पीकर श्रीमति सुमित्रा महाजन ने इन्दौर से दिल्ली सराय रोहिल्ला को फ्लेगऑफ किया एवं इन्दौर से भीलवाडा-अजमेर-सीकर होते हुए बीकानेर ट्रेन की 26 जनवरी से प्रारम्भ होने की घोषणा की। मेवाड चेम्बर की ओर से ईमेल भेजकर माननीया लोकसभा स्पीकर श्रीमति सुमित्रा महाजन का भीलवाडा वासियों की ओर से आभार व्यक्त किया।

Day	Saturday	Sunday
Train No	19333	19334
Indore	14.10	9.35
Ratlam	16.20	7.15
Chittorgarh	20.00	2.30
Bhilwara	21.35	0.33
Ajmer	0.20	22.30
Phulera	1.45	20.30
Sikar	4.00	18.30
Churu	6.20	16.35
Bikaner	9.25	13.30

Day	Saturday	Sunday
Train No	19337	19338
Indore	19.20	9.35
Ratlam	21.40	7.15
Chittorgarh	1.20	3.45
Bhilwara	2.15	1.54
Ajmer	4.40	23.45
Jaipur	6.55	20.55
Alwar	10.03	17.41
Delhi S	13.15	15.00

जयपुर कामख्या जयपुर का उदयपुर तक विस्तार

माननीय रेल मंत्री श्री पीयूष गोयल ने जयपुर-कामख्या-जयपुर के मध्य संचालित ट्रेन संख्या 19709 / 19710 कवि गुरु एक्सप्रेस को विस्तार कर उदयपुर से संचालित करने की घोषणा की है। उदयपुर से प्रारम्भ होने की तिथि अभी घोषित की जानी है। इस ट्रेन के उदयपुर से संचालित होने पर चित्तौड़गढ़-भीलवाडा के यात्रियों को लखनऊ होकर न्यू जलपाईगुडी मार्ग पर एक ओर साप्ताहिक ट्रेन की सुविधा उपलब्ध होगी। मेवाड चेम्बर की ओर से इसके लिए माननीय रेल मंत्री श्री पीयूष गोयल का आभार प्रेषित किया गया।

माननीय श्री टी पी सिंह
माननीय महाप्रबंधक
उत्तर पश्चिम रेलवे
जयपुर
कैम्प : भीलवाडा

मान्यवर,

उत्तर पश्चिम रेलवे के महाप्रबंधक का पदभार ग्रहण करने के बाद आपके प्रथम बार भीलवाडा आगमन पर मेवाड चेम्बर ऑफ कॉमर्स एण्ड इण्डस्ट्री के सभी सदस्यों की ओर से हार्दिक स्वागत एवं अभिनन्दन।

मेवाड चेम्बर ऑफ कॉमर्स एण्ड इण्डस्ट्री दक्षिण राजस्थान के सात जिलों का मान्यता प्राप्त 52 वर्षों से कार्यरत डिविजनल चेम्बर है। लघु एवं मध्यम उद्योगों के साथ इस क्षेत्र के सभी बड़े सिमेन्ट प्लान्ट— जे के सीमेन्ट, बिडला, आदित्य सीमेन्ट, सभी बड़े टेक्सटाइल उद्योग, हिन्दुस्तान जिंक, जिन्दल शॉ, जे के टायर, आर के मार्बल सहित इन जिलों में हमारे 500 से अधिक सदस्य हैं। मेवाड चेम्बर 40 हजार करोड़ से अधिक वार्षिक टर्नओवर एवं लगभग 12 हजार करोड़ के निर्यात करने वाली इकाईयों का प्रतिनिधित्व करता है।

पिछले 50 वर्षों से मेवाड चेम्बर के प्रतिनिधी रेलवे की मण्डल, क्षेत्रीय एवं राष्ट्रीय रेल उपयोगकर्ता सलाहकार समितियों में प्रतिनिधित्व करते रहे हैं। मेवाड चेम्बर निरन्तर इस क्षेत्र में यात्री रेल सुविधाओं एवं उद्योगों को माल भाडा परिवहन में सुलभता के लिए प्रयासरत रहा है। हमें अपने प्रयासों में मण्डल एवं जोन स्तर पर विभिन्न अधिकारीगणों का सक्रिय सहयोग प्राप्त होता रहा है, जिसके लिए हम आभारी हैं।

भीलवाडा रेलवे स्टेशन पर पश्चिम दिशा में गांधीनगर की ओर से दूसरे प्रवेश द्वार का निर्माण किया जा रहा है। मेवाड चेम्बर इसके लिए विगत कई वर्षों से प्रयासरत था। इसके निर्माण के लिए मेवाड चेम्बर एवं सभी रेल उपयोगकर्ता रेलवे प्रशासन एवं विशेषतया: स्थानीय माननीय सांसद श्री सुभाष जी बहेडिया एवं माननीय विधायक श्री विठ्ठल शंकर जी अवस्थी के भी आभारी हैं।

इस विषय में हमारा निवेदन है कि दूसरे प्रवेश द्वार के लिए जो नक्शा स्वीकृत किया गया एवं यात्रियों के लिए विभिन्न सुविधाओं की जो योजनाएं बनाई गई, उन्हें भी शीघ्र पूरा करवाया जाए। इनमें

प्लेटफॉर्म नम्बर 4 से प्लेटफॉर्म नम्बर 1 के लिए अजमेर एवं चित्तौड़गढ़ दोनों दिशाओं की ओर फुटओवर ब्रीज एवं एक्सकेलेटर का निर्माण, प्लेटफॉर्म नम्बर 4 पर कवर शेड के अतिरिक्त नये द्वार के साथ समुचित पार्किंग निर्माण का अनुरोध है।

वर्तमान में मुख्यद्वार की ओर भी पार्किंग की बड़ी समस्या है। अतः स्वीकृत प्लान के अनुरूप कम से कम 50 कार पार्किंग एवं 100 दुपहिया वाहनों के पार्किंग के लिए समुचित स्थान एवं निर्माण करवाया जाना चाहिए।

भीलवाडा औद्योगिक एवं निर्यात की दृष्टिकोण से महत्वपूर्ण इलाका है। वर्तमान में हमारे यहां से निर्यात माल का परिवहन सड़क मार्ग से ही हो रहा है। निर्यात माल परिवहन के लिए भीलवाडा में रेलवे द्वारा **डेडीकेटेड फ्रेट टर्मिनल** स्थापित किया जाना अत्यन्त आवश्यक है। अभी निर्यात कन्टेनर सड़क मार्ग से बन्दरगाहों को जाते हैं, इससे निर्यातकों को कई गुणा अधिक मालभाडा देना पड़ रहा है। पूर्व में वर्ष 2014 में तत्कालीन महाप्रबंधक महोदय ने इसकी सिद्धान्ततः स्वीकृति प्रदान की एवं इस विषय में जिला एवं राज्य स्तर पर काफी बैठकें भी हुईं। डेडीकेटेड फ्रेट टर्मिनल के लिए रेलवे को जिले में रेल लाइन के आसपास 1.5 किमी लम्बी एवं 200 मीटर चौड़ी भूमि की आवश्यकता है। हमारे काफी प्रयासों के बावजूद भी राज्य प्रशासन की ओर से आवश्यक भूमि का चिन्हीकरण एवं आवंटन नहीं हो पाया है। अतः आपसे सादर निवेदन है कि आपके स्तर से पुनः राज्य सरकार के स्तर पर इस विषय में आवश्यक कार्यवाही की जाए।

यात्री भार के दृष्टिगत अजमेर रतलाम के मध्य भीलवाडा महत्वपूर्ण स्टेशन है। यात्री परिवहन एवं सुविधाओं के विस्तार के लिए हमारा निम्न निवेदन है :—

◆ जयपुर—उदयपुर इन्टरसिटी 09721/09722 पिछले 5 वर्षों से होलीडे एक्सप्रेस के रूप में संचालित है एवं इसका संचालन समय—समय पर बढ़ाया जा रहा है, जिसके लिए हम आपके आभारी हैं। रेल यात्रियों के मध्य यह ट्रेन अत्यन्त लोकप्रिय है एवं इसका Occupancy Ratio बहुत अच्छा है। इसका इतिहास एवं यात्री भार को देखते हुए इस ट्रेन को नियमित ट्रेन के रूप में संचालित किया जाये।

◆ वर्तमान में ट्रेन संख्या 12413 / 12414 अजमेर-जम्मूतवी के लिए प्रतिदिन संचालित है। भीलवाड़ा-चित्तौड़गढ़ क्षेत्र से पंजाब एवं जम्मू काश्मीर के व्यापार एवं हजारों व्यापारियों के आवागमन तथा तीर्थ यात्रियों की सुविधा के लिए इस ट्रेन को अजमेर के स्थान पर चित्तौड़गढ़ से संचालित किया जाए अथवा इसके लिए चित्तौड़गढ़ से एक लिंक ट्रेन चलाई जाए।

◆ अजमेर-चण्डीगढ़ गरीबरथ गाडी संख्या 12983 / 12984 को उदयपुर से संचालित करने हेतु:- वर्तमान में अजमेर-चण्डीगढ़ गरीबरथ सप्ताह में तीन दिन अजमेर से चण्डीगढ़ के लिए संचालित होती है। उदयपुर, चित्तौड़गढ़ एवं भीलवाड़ा के यात्रियों के लिए चण्डीगढ़ एवं पंजाब के अन्य स्टेशनों के लिए कोई ट्रेन उपलब्ध नहीं है। उदयपुर महत्वपूर्ण पर्यटन केन्द्र होने के साथ मार्बल, मिनरल एवं केमिकल उत्पादन, चित्तौड़गढ़ मार्बल, सीमेन्ट एवं भीलवाड़ा टेक्सटाइल व्यवसाय के बहुत बड़े केन्द्र हैं एवं पंजाब के लिए नियमित यात्री भार रहता है। यात्रियों को अजमेर से ट्रेन लेने में असुविधा होती है। अतः अजमेर-चण्डीगढ़ गरीबरथ को उदयपुर से संचालित किया जाए।

◆ रिजर्वेशन कोटा के सम्बन्ध में :

अजमेर-भागलपुर के मध्य गाडी संख्या 13424 में पहले भीलवाड़ा स्टेशन का कोई अलग से रिमोट कोटा नहीं था। दिसम्बर 2018 से भीलवाड़ा के लिए रिमोट कोटा आवंटित किया गया है। इससे यात्रियों को कोटा के अतिरिक्त सीट बुकिंग में परेशानी आ रही है। अतः हमारा निवेदन है कि भीलवाड़ा के लिए रिमोट कोटा को समाप्त कर पूर्वतः व्यवस्था ही रखी जाए।

अजमेर-बान्द्रा के मध्य गाडी संख्या 20902 का संचालन 20 दिसम्बर 2017 से प्रारम्भ हुआ, तभी से इस ट्रेन में भी भीलवाड़ा के लिए रिमोट कोटा आवंटित किया गया है। इससे यात्रियों को कोटा के अतिरिक्त सीट बुकिंग में परेशानी आ रही है। अतः हमारा निवेदन है कि इस ट्रेन के लिए भी भीलवाड़ा के लिए रिमोट कोटा को समाप्त किया जाए।

उदयपुर-सरायरोहिल्ला के मध्य गाडी संख्या 12982 चेतक एक्सप्रेस में भीलवाड़ा, चित्तौड़गढ़ क्षेत्र के लिए पूल साइड कोटा निर्धारित है। इससे यात्रियों को कोटा के अतिरिक्त सीट बुकिंग में परेशानी आ रही है। अतः हमारा निवेदन है कि इस ट्रेन के लिए भी भीलवाड़ा/चित्तौड़गढ़ के लिए पूल साइड कोटा को समाप्त किया जाए।

आशा है कि आप द्वारा हमारे इन सुझावों पर समुचित रूप से विचार किया जाएगा। अन्त में, हम पुनः आपका भीलवाड़ा पधारने के लिए आभार व्यक्त करते हुए अभिनन्दन करते हैं।

सादर।

(आर के जैन)

मानद महासचिव



MCCI/TUFS/2018-2019/423

Dated : 09.01.2019

Hon'ble Smt Smriti ji Irani
Hon'ble Minister for Textile,
Govt of India,
New Delhi

Sub: Delay in payment of TUF'S Capital / Interest subsidy.

Respected Ma'am,

Mewar Chamber of Commerce & Industry is the Divisional Chamber of Southern Rajasthan representing the entire major industrial units of Bhilwara, Chittorgarh, Pratapgarh, Dungarpur, Banswara, Rajasmand & Udaipur. It has been functioning as representative body of the industries in the state, leading the cause of the textile industry and making constructive suggestions to the Central and State Government and other agencies in regards to formation of industrial Policy, Taxation Matter and other operational activities.

We are highly thankful to your honour and the Ministry of Textile for announcement of Amended Technology Up-gradation Fund Scheme (A-TUFS) effective from 13.01.2016 and for detailed guidelines for the implementation of the scheme. In fact the TUFS have been the mile stone in the up gradation of technology in the textile industry throughout the Country.

Many of our members have reported that the payment of capital/interest subsidy under TUF is being delayed. In some cases, it

is pending for more than 2-4 years and in general the payment of interest subsidy is pending for last four to five quarters. We are enclosing herewith a statement showing pendency in payment of TUF subsidy which amounts to about Rs 20.00 crores.

The textile industry is already facing financial crisis due to several reasons and delay in payment of TUF subsidy is adding to their problem. We request your honour to kindly look in to the issue and to direct the concerned authorities for immediate release of pending subsidy.

We are sure that your good office would consider our humble request sympathetically and would extend suitable relief to the benefit of textile industry.

We look forward to your kind support and cooperation,

With Best Regards

(CS R.K.Jain)

Hon'y Secretary General

CC : The Textile Commissioner of India, Office of the Textile Commissioner, Mumbai

The Director, Regional Office of the Textile Commissioner, Noida



MCCI/TUFS/2018-2019/424

Dated : 09.01.2019

Hon'ble Smt Smriti ji Irani
Hon'ble Minister for Textile,
Govt of India,
New Delhi

Sub : Problem of UID / Release of Capital Subsidy under TUFS.

Respected Ma'am,

Mewar Chamber of Commerce & Industry is the Divisional Chamber of Southern Rajasthan representing the entire major industrial units of Bhilwara, Chittorgarh, Pratapgarh, Dungarpur, Banswara, Rajasmand & Udaipur. It has been functioning as representative body of the industries in the state, leading the cause of the textile industry and making constructive suggestions to the Central and State Government and other agencies in regards to formation of industrial Policy, Taxation Matter and other operational activities.

We are highly thankful to your honour and the Ministry of Textile for announcement of Amended Technology Up-gradation Fund Scheme (A-TUFS) effective from 13.01.2016 and for detailed guidelines for the implementation of the scheme. In fact the TUFS have been the mile stone in the up gradation of technology in the textile industry throughout the Country.

Many of our members have reported that they are facing problem of not release of capital subsidy inspite of submission of JIT report, non generation of UID or delay condonation for submission of UID application. We are enclosing herewith a statement showing pendency in such cases.

The textile industry's growth has been supported by TUFS and now the growth is being hampered due to problems reported as above, which is resulting financial crisis. We request your honour to kindly look in to the issue and to direct the concerned authorities for immediate action in the matter.

We are sure that your good office would consider our humble request sympathetically and would extend suitable relief to the benefit of textile industry.

We look forward to your kind support and cooperation,

With Best Regards

(CS R.K.Jain)

Hon'y Secretary General

CC : The Textile Commissioner of India, Office of the Textile Commissioner, Mumbai

The Director, Regional Office of the Textile Commissioner, Noida

ARTICLES

S Dhanapal & Associates
Practising Company Secretaries

SEBI (Listing obligations & Disclosure Requirements) Regulations, 2015

Securities Exchange Board of India ("SEBI") notified the Securities Exchange Board of India (Listing Obligations & Disclosure Requirements) Regulations, 2015 (hereinafter referred to as the "Listing Regulations") on September 2, 2015 with the aim of alignment of the Listing Regulations with the Companies Act, 2013 and for the purpose of having a greater Statutory force on the Listed Entities in India Companies. For the ease of the Stakeholders, SEBI has consolidated the Listing Regulations into one single document for various types of Securities listed on the Stock Exchanges.

With the coming into force of the Listing Regulations, erstwhile Listing Agreements will stand repealed. A shortened version of the Listing Agreement (2 page approximately) will be prescribed and the same is required to be signed by a Company getting its Securities listed on Stock Exchanges. With regard to the existing Listed Entities, the same shall be signed as a fresh Listing Agreement within 6 months of the notification of the Regulations.

Date of Applicability of Listing Regulations : The Listing Regulations came into force on the ninetieth day from the date of their publication in the Official Gazette i.e. from 1st December, 2015. While a 90-day period was given to implement the Listing Regulations, two provisions of the Listing Regulations, as stated below, being facilitating in nature, became applicable with immediate effect.

Chapters in Detail: Given below is a quick insight on the 12 chapters of the Listing Regulations. While more focus has been given to Chapter no. 4, the other Chapters have been covered very briefly.

CHAPTER I - PRELIMINARY - REGULATIONS 1 - 3

This Chapter contains 3 regulations:

1	Short Title and Commencement
2	Definitions. This Section contains 39 definitions of the common terms used in the entire Listing Regulations numbered as (a) to (zm)
3	Applicability of the Regulations

CHAPTER II - PRINCIPLES GOVERNING DISCLOSURES AND OBLIGATIONS OF LISTED ENTITY-REGULATION 4

These principles serve as a guide for the various requirements specified in the other Chapters of the Regulation. In case of absence of any specific requirement or ambiguity in the requirements of as stated in the other chapters, these principles would serve as guide to the listed entities. Further in case of any ambiguity between the principles and the relevant regulations the principles shall prevail. It is for this reason that this Chapter demands special attention and commands importance. The principles are in the nature of the Rights of Shareholders, Timely Information, Equitable Treatment, Role of Stakeholders in Corporate Governance, Disclosure and Transparency, Responsibilities of the Board of Directors, etc.

CHAPTER III-COMMON OBLIGATIONS OF LISTED ENTITIES-REGULATIONS 5-14

These obligations are common to all the listed entities irrespective of the type of securities listed.

Regulation	Provision	Requirements
Regulation 5	Obligation of Compliance on Listed Entity	Listed Entity to ensure that KMP, directors, promoters or other persons dealing with the listed entity, comply with responsibilities or obligations, if any, assigned to them under these regulations
Regulation 6	Obligations of Compliance Officer	Every Listed Entity to appoint a Qualified Company Secretary as the Compliance Officer to carry out the responsibilities as stated in the Regulations.
Regulation 7	Appointment of Share Transfer Agent (STA)	<p>Either an external STA can be appointed or can be managed in-house.</p> <p>In case of in-house STA, if the number of securities holders exceeds 1,00,000 the listed entity shall either register with SEBI as a category II STA / appoint a STA registered with SEBI. Compliance Requirements :</p> <ul style="list-style-type: none">Compliance Certificate duly signed by both the Compliance Officer and the authorised representative of the STA, wherever applicable, shall be submitted to the stock exchanges within 1 month of end of half of the financial year, certifying that share transfer facility is either in house / through Share Transfer Agent.When there is a change in the Share Transfer Agent, a Tripartite Agreement shall be entered into between the listing entity, existing and the new Share Transfer Agent, and the said agreement shall be placed before the Board of Directors at their subsequent meeting. Intimation of such appointment to be sent to the Stock Exchanges within 7 days of the agreement.

Regulation	Provision	Requirements
Regulation 8	Co-operation with Intermediaries	To maintain co-operation with and submit correct and adequate information to the intermediaries registered with SEBI, such as Credit Rating Agencies, Registrar to an issue and Share Transfer Agent, Debenture Trustees etc. within the timelines and as per prescribed procedures.
Regulation 9	Preservation of documents	<ul style="list-style-type: none"> ◆ A policy for preservation of documents shall be framed and approved by the Board of Directors ◆ Documents to be classified at least in 2 categories: <ul style="list-style-type: none"> a. Documents which require permanent preservation; b. Documents with preservation period of not less 8 eight years after completion of the relevant transactions Preservation can be made in electronic mode also.
Regulation 10	Filing of Information	Filing of Reports, Documents etc. by Listed Entities to be made electronically in the platform as specified by SEBI or the recognized stock exchange(s).
Regulation 11	Scheme of Arrangement	Any Scheme of Arrangements / Amalgamations / Mergers / Reconstruction / Reduction of Capital etc shall not violate or over ride or limit the provisions of any securities laws or requirement of Stock Exchanges.
Regulation 12	Payment of Dividend or interest or redemption or repayment	<ul style="list-style-type: none"> ◆ Listed Entities to use electronic modes of payment approved by RBI for payment of Dividend, Interest, Repayment of amounts etc. ◆ Where payment under electronic mode is not possible, payable-at-par warrants or cheques may be issued. Where dividend payable exceeds Rs. 1,500/- the payable-at-par warrants or cheques shall be sent by speed post.
Regulation 13	Grievance Redressal Mechanism	<ul style="list-style-type: none"> ◆ Listed Entities to Register on SCORES handling for investor complaints ◆ To take necessary steps for expeditious Redressal of investor complaints ◆ A statement giving the details of number of complaints pending at the beginning of the quarter, received and disposed of during the quarter and those remaining unresolved at the end of the quarter shall be filed with the Stock Exchanges within 21 days from the end of each quarter. Such statement shall be placed before the Board every quarter.
Regulation 14	Fees	Listed entities to pay fees and other applicable charges to the Stock Exchanges in the manner specified by SEBI or the recognised stock exchange(s).

CHAPTER IV - OBLIGATIONS OF LISTED ENTITY WHICH HAS LISTED ITS SPECIFIED SECURITIES - REGULATION 15 TO 48

Provisions of important regulations covered under this chapter are detailed below for quick reference:

- ◆ The provisions of this regulation are applicable to all listed entities which have listed its specified securities on any recognised Stock Exchange(s), either on the main board or on SME Exchange or on Institutional trading platform.
- ◆ As per Section 2(zl) of these Listing Regulations, 'specified securities' means 'equity shares' and 'convertible securities' as defined under clause (zj) of sub-regulation (1) of regulation 2 of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
- ◆ The compliance with the corporate governance provisions as specified in regulations 17, 18, 19, 20, 21, 22, 23, 24, 25, 26, 27 and clauses (b) to (i) of sub-regulation (2) of regulation 46 and para C, D and E of Schedule V shall not apply, in respect of-
 - a. the listed entity having paid up equity share capital not exceeding Rs. 10 Crores and net worth not exceeding Rs. 25 Crores, as on the last day of the previous financial year; or
 - b. the listed entity which has listed its specified securities on the SME Exchange.

Definitions-Regulation 16

This regulation contains definition of

- ◆ Control
- ◆ Independent Director
- ◆ Material Subsidiary
- ◆ Senior Management

Board and Committees-Regulations 17-21

Composition of Board & its Committees

Particulars	Board	Audit Committee	Nomination & Remuneration Committee	Stakeholder Relationship Committee	Risk Management
Applicability	All Listed Entities	All Listed Entities	All Listed Entities	All Listed Entities	Top 100 Listed Entities
Minimum No. of directors	3	3	3	Board to decide	Board to decide
Kind of Directors	at least 50% to be non-executive. at least one to be Women	Executive & Non Executive CS to act as Secretary	Only Non Executive	Executive & Non Executive	Executive & Non Executive
No. of Independent Directors	If regular the chairman of Board is non executive & non-promoter - at least 1/3rd of the board to be independent. In all other cases - atleast 50% of the board to be independent	Atleast 2/3rd of the board shall be Independent	Atleast 50% of the board shall be Independent	Not specified	Not specified
Chairperson	May / may not be Independent	Independent Director	Independent Director & not the chairman of the Company	Non executive Director (may / may not be independent)	Member of the Board
Meetings and Quorum	Atleast 4 Meetings with a maximum gap of 120 days between 2 meetings	Atleast 4 with maximum 120 days between 2 meetings. Quorum- 2 or 1/3rd whichever is greater with atleast 2 independent directors	Not specified	Not specified	Majority of members shall consist of members of the board of directors. Senior executives of the listed entity may be members of the committee.

Broad responsibilities of Board

- ☐ Periodically review compliance reports pertaining to all laws applicable to the listed entity, prepared by the listed entity as well as steps taken by the listed entity to rectify instances of non-compliances.
- ☐ Satisfy itself that plans are in place for orderly succession for appointment to the board of directors and senior management.
- ☐ Frame a Code of Conduct for all Board members & Senior Management, incorporating the duties of Independent Directors.
- ☐ The board of directors shall recommend all fees or compensation, if any, paid to non-executive directors, including independent directors.
- ☐ Minimum information to be placed before the Board is specified in Part A of Schedule II.
- ☐ The chief executive officer and the chief financial officer shall provide the compliance certificate to the board of directors as specified in Part B of Schedule II.
- ☐ Framing, implementing and monitoring the risk management plan for the listed entity.
- ☐ Performance evaluation of independent directors.

Related party Transactions (Regulation 23)

- ☐ The listed entity shall formulate a policy on materiality of related party transactions and on dealing with related party transactions;
- ☐ A transaction with a Related Party shall be considered material, if the transaction(s) to be entered into individually or taken together with previous transactions during a financial year, exceeds 10% of the Annual consolidated turnover of the listed entity as per the latest audited financials;
- ☐ Prior approval of the Audit Committee is required for all related party transactions. Audit Committee may also provide omnibus approval subject to fulfilment of specified criteria;
- ☐ Approval of Shareholders to be taken for all Material Related Party Transactions and the related parties shall abstain from voting on such resolutions whether the entity is a related party to the particular transaction or not.
- ☐ The provisions of this regulation shall be applicable to all prospective transactions. All existing Related Party Contracts / arrangements entered into prior to the date of the notification of these regulations and which may continue beyond such date, to be placed for the approval of the Shareholders in the first General Meeting subsequent to notification of these regulations;
- ☐ Approval of Audit Committee and Shareholders is not required in case of (a) transactions entered into between two government companies; (b) transactions entered into between a holding company and its wholly owned subsidiary whose accounts are consolidated with such holding company and placed before the shareholders at the general meeting for approval.

Independent Directors (Regulation 25)

- ☐ A person shall not serve as an independent director in more than 7 listed entities.
- ☐ Any person who is serving as a whole time director in any listed entity shall serve as an independent director in not more than three listed entities.
- ☐ The independent directors shall hold at least one meeting in a year, without the presence of non-independent directors and members of the management.
- ☐ Vacancy to be filled up in next board meeting or 3 months from date of vacancy whichever is later.
- ☐ Familiarization programmes to be conducted for independent directors.

Submission of Corporate Governance Report (Regulation 27)

- ☐ Corporate Governance Report to be submitted within 15 days of each quarter in the format specified.
- ☐ Specific formats notified for quarterly, yearly and half yearly reporting on 24.09.2015 vide Circular No. CIR/CFD/CMD/5/2015.
- ☐ The Report on Corporate Governance to be tabled in the next Board Meeting of the Company.

Prior Intimation to the Stock Exchange (Regulation 29)

No. of Days	Items Proposed to be transacted
2 Clear Working Days excluding the date of the intimation and date of the meeting	Intimation about the Board Meetings where the following proposals are to be considered: <ul style="list-style-type: none"> <input type="checkbox"/> Proposal for buy-back of securities <input type="checkbox"/> Proposal for voluntary delisting <input type="checkbox"/> Fund Raising <input type="checkbox"/> Annual General Meeting (AGM), Extra Ordinary General Meeting (EGM) or Postal Ballot, proposed for obtaining shareholders approval for further fund raising <input type="checkbox"/> Declaration / Recommendation / passing over of dividend <input type="checkbox"/> Issue of convertible securities <input type="checkbox"/> Declaration of bonus securities
5 Clear Days excluding the date of the intimation and date of the meeting	Intimation about the Board Meetings along with the date of the meeting where the following proposals are to be considered : Consideration of Financial Results viz. quarterly, half yearly, or annual, as the case may be
11 Working Days	Alteration in the form or nature of any of its securities that are listed or in the rights or privileges of the holders thereof Any alteration in the date on which, the interest on debentures or bonds or the redemption amount of redeemable shares or of debentures or bonds shall be payable

Disclosure of Events of Information (Regulation 30)

The events or information's which are to be disclosed are provided under Schedule III to the Listing Regulations. The Schedule is bifurcated into 2 parts:

1) Deemed to be material events (Para A of Part A of Schedule III)

2) Events which shall be disclosed based on application of guidelines for materiality specified under Sub-regulation 4 of Regulation 30 (Para B of Part A Schedule III)

- ☐ A policy to be framed by every listed entity for determination of materiality duly approved by the Board of Directors and shall be disclosed on its website.
- ☐ One or more KMP's shall be authorised by the Board for determination of materiality and for the making disclosures;
- ☐ Contact Details of such authorised personnel shall be disclosed to the Stock Exchanges and also on the entity's website;
- ☐ The Entity shall disclose all events specified in Part A of Schedule III as soon as reasonably possible but not later than 24 hours from the occurrence of the event. If the disclosure is made after 24 hours explanation to the effect to be provided;
- ☐ All disclosures made to the Stock Exchanges shall be hosted on the website of the listed entity, for a minimum period of 5 years, and thereafter as per the archival policy of the Listed entity;
- ☐ Any other information which is not referred to in Para A of Schedule III but have material effect shall be disclosed adequately;

Shareholding Pattern (Regulation 31)

- ☐ 100% shareholding of the promoter and the promoter group shall be held in dematerialised form in compliance with the circulars or directions issued with respect to its maintenance.
- ☐ Further a statement showing holding of securities and the shareholding pattern separately for each class of security in the specified format shall be submitted to the Stock Exchanges within the timelines as mentioned below:
 - i. One day prior to the listing of securities;
 - ii. Within 21 days from the end of each Quarter;
 - iii. Within 10 days of a Capital restructuring resulting in a change exceeding 2% of the total paid up share capital;
- ☐ Format for disclosure of shareholding pattern has been notified on 30.11.2015 vide Circular CIR/CFD/CMD/13/2015

Re-classification of Promoters as public shareholders (Regulation 31A)

- ☐ All entities falling under promoter and promoter group shall be disclosed separately in the shareholding pattern appearing on the website of Stock Exchanges;
- ☐ Only upon receipt of a request from the concerned listed entity or the concerned shareholders along with all relevant evidence and on being satisfied with the compliance of various conditions, the Stock Exchange shall allow modification or reclassification of the status of the Shareholders;
- ☐ In case of transmission / succession / inheritance the inheritor shall be classified as the Promoter;

When a new promoter replaces the previous promoter subsequent to an open offer or in any other manner, reclassification shall be permitted subject to the following conditions	Where an entity becomes professionally managed and does not have any identifiable promoter the existing promoters may be re-classified as public shareholders subject to the following conditions
Approval of Shareholders in General Meeting	
The Promoters seeking reclassification and their relatives may act as KMP in the entity only subject to shareholders' approval and for a period not exceeding 3 years from the date of shareholders' approval	
Such promoter along with the promoter group and the Persons Acting in Concert ("PAC") shall not hold more than 10% of the paid up equity capital of the entity	No person or group along with PAC's taken together shall hold more than 1% paid up equity capital of the entity including any holding of convertibles, outstanding warrants, depository receipts. However any mutual fund, bank, insurance company, financial institution, foreign portfolio investor may individually hold up to 10% paid up equity capital of the entity including any holding of convertible, outstanding warrants, depository receipts.
Such promoter shall not continue to have any special rights through formal or informal arrangements	The promoter seeking reclassification along with his promoter group entities and the PACs shall not have any special right through formal or informal arrangements.

All shareholding agreements granting special rights to such entities shall be terminated
Such promoter shall not directly or indirectly, exercise control, over the affairs of the entity
Increase in the level of public shareholding pursuant to re-classification of promoter shall not be counted towards achieving compliance with minimum public shareholding requirement
The event of re-classification shall be disclosed to the Stock Exchanges as a material event
Board may relax any condition for re-classification in specific cases, if it is satisfied about non-exercise of control by the outgoing promoter or its PACs

Statement of Deviations or Variations (Regulation 32)

- ☐ In case of Public Issues, Right Issues, Preferential Issues etc, the listed entity shall submit the following statement to the Stock Exchanges:
 - a. Statement indicating deviations, if any, in the usage of the proceeds
 - b. Statement indicating category wise variation (Capital expenditures, working capital expenditure etc)
- ☐ The Statements shall be submitted till the issue proceeds are fully utilised;
- ☐ The Statements shall be placed before the Audit Committee;
- ☐ Explanation to the effect shall be furnished in the Board's Report;
- ☐ Till such time the money is fully utilised, a Statement of Funds utilised to be prepared and placed before the audit committee and to be duly certified by the Statutory Auditors;
- ☐ In case any Monitoring agency is appointed to monitor the utilisation of proceeds, any comments or report received shall be placed before the Audit Committee;

Financial Result Preparation, Approval & Authentication (Regulation 33)

Financial Results	Approval & Authentication
<ul style="list-style-type: none"> <input type="checkbox"/> Financial results shall be prepared based on Accrual Accounting Policy with uniform accounting practices; <input type="checkbox"/> Quarterly and year to date results to be prepared in accordance with the Recognition and measurement principles laid down under Accounting Standard 25 & 31; <input type="checkbox"/> Standalone & Consolidated results shall be prepared under the GAAP in India; <input type="checkbox"/> In addition to the above, listed entities may also submit Financial Results as per IFRS notified by the International Accounting Standard Board; <input type="checkbox"/> Limited Review / Audit Reports submitted to the Stock Exchanges on Quarterly or Annual basis are to be given only by an auditor who has subjected himself to & holds a valid certificate issued by the Peer Review Board of ICAI; <p>Listed entity shall make disclosures specified in Part A of Schedule IV</p>	<ul style="list-style-type: none"> <input type="checkbox"/> Financial results to be approved by the Board of Directors; <input type="checkbox"/> While placing the Financial Results before the Board, the CEO & CFO shall certify that the Financial Results: <ul style="list-style-type: none"> a. Do not contain any false or misleading statement or figures & b. Do not omit any material fact which may make the statements or figures contained therein misleading; <input type="checkbox"/> To be signed by the Chairperson, or MD or WTD or any director duly authorised; <p>The limited review report shall be placed before the board of directors, at its meeting which approves the financial results, before being submitted to the stock exchange(s).</p>

Submission of Financial Results to Exchange

- ☐ Financial Results shall be submitted Quarterly and year to date within 45 days of the end of each Quarter other than the last Quarter;
- ☐ In case of having subsidiaries, the listed entity in addition to the above, may also submit Quarterly / year to date Consolidated Financial Results subject to the following:
 - a. Intimate the Stock Exchanges in advance, that it shall also submit consolidated results. However this option shall not be changed during the year;
 - b. In case it changes the option next year, comparable figures for the previous year shall be furnished;
- ☐ Quarterly and year to date Financial Results may be audited / un audited subject to the following:

- a. Unaudited results shall be accompanied by a limited review by the Statutory Auditors. In case of a Public Sector undertakings, by any practicing Chartered Accountant;
 - b. In case opted for audited results they shall be accompanied by the Audit Report;
- ☐ Audited Financial Results to be submitted within 60 days from the end of the Financial year, along with the Audit Report in Form A (unmodified opinion) or Form B (modified opinion)
 - ☐ The financial results in respect of the last Quarter shall be submitted along with the audited financial results for the entire year, with a note that the figures for the last quarter are the balancing figures between the audited figures and figures up to the third quarter of the Current financial year;
 - ☐ In case of the Auditor expressing modified opinion, the listed entity shall include a note to the Financial Results stating:
 - a. How the modified opinion has been resolved
 - b. If not resolved, the reason thereof and the steps taken for the same
 - ☐ Along with the Financial Results for the half year, the listed entity shall also submit by way of a note statement of assets and liabilities as at the end of the half year;
 - ☐ In case there is a name change suggesting any new line of business, it shall disclose the net sales, expenditure and net profit or loss after tax pertaining to the said new line of business separately in the results. Such disclosures shall be given for 3 years succeeding the date of change of name;
 - ☐ All transactions of exceptional nature shall be disclosed;
 - ☐ Listed entity shall carry out necessary steps for rectification of modified opinion and / or submission of revised pro-forma financial results as specified in

Schedule VIII;

- ☐ Format for publishing financial results has been notified on 30.11.2015 vide Circular CIR/CFD/CMD/15/2015.
- ☐ Listed entity shall submit to the Stock Exchanges an Annual Information Memorandum in the manner specified by SEBI from time to time; (Reg 35)

Annual Report-Regulation 34 & 36

- ☐ Annual Report to be submitted within 21 working days of being approved at the Annual General Meeting;
- ☐ Contents of Annual Report:
 - a. Audited Financial Statements - Standalone & Consolidated, if applicable;
 - b. Cash Flow Statement only under indirect Method;
 - c. Directors Report;
 - d. Management Discussion and Analysis Report;
 - e. Business Responsibility Report for top 100 listed entities based on Market Capitalization;
 (SEBI, vide amendment dated December 22, 2015 to Regulation 34 (2) (f) of SEBI (Listing Obligations and Disclosure requirements) Regulations, 2015, has extended the applicability of Business Responsibility Reports to top five hundred listed companies based on market capitalization as on March 31, of every year.)

To be sent to Shareholders at least 21 days before the Annual General Meeting	
Soft Copies	To those who have registered their email addresses
Hard copy of statement containing the salient features of all the documents	To those who have not registered their email addresses
Hard Copies of full Annual Reports	To all those who request for the same
For appointment / reappointment of a director - the shareholders much be provided with the below information	
<ul style="list-style-type: none"> ▪ Brief resume of the Director and nature of expertise in specific functional area ▪ Relationships between directors inter-se ▪ Directorships and memberships of committees of the Board in other listed entities Shareholding of non executive directors 	

Scheme of Arrangement (Regulation 37)

- Before filing the draft Scheme of Arrangement before any Court or Tribunal, it shall be filed with the Stock Exchanges;
- An observation letter or no objection letter shall be obtained from the Exchange before filing such draft scheme with any Court or Tribunal;
- Such observation letter or no objection letter shall be placed before the Court or Tribunal at the time of seeking approval of the Scheme of Arrangement;

- The observation or no objection letter shall be valid for a period of 6 months from the date of issuance within which the draft scheme of arrangement shall be submitted to the Court or Tribunal;
- Upon sanction of the Scheme by the Court or Tribunal the listed entity shall submit such prescribed documents to the Stock Exchanges;

Transfer or Transmission of Securities (Regulation 40)

- The power of transfer of securities may be delegated to a Committee or to a Compliance Officer or to the Share Transfer Agent or RTA by the Board ;
- The Share Transfer formalities shall be attended by such delegated authority once in a fortnight who shall report on the same to the Board;
- On receipt of the proper documentation the transfer is to be effected within a period of 15 days from the date of receipt of request;
- Transmission requests to be processed within a period of 7 days in case of demat mode and 21 days in case of physical mode;
- No effect to the transfer requests to be given, when the transfer is restricted by any Statutory prohibition or any attachment or prohibitory order of a competent authority;
- The transfer of securities shall not be registered when the transferor objects to the transfer and serves on the listed entity a prohibitory order of a Court of competent jurisdiction, within 60 working days of raising the objection;
- Where the transfer was not effected within 15 days or the listed entity has failed to communicate to the transferee any valid objection to the transfer, the aggrieved party shall be compensated for the opportunity losses and shall be provided with all corporate benefits;
- Within one month from the end of each half of the Financial Year, a Certificate from a Practising Company Secretary is to be produced and filed with the Stock Exchanges, certifying that all certificates have been issued within 30 days of the date of lodgement for transfer, sub-division, consolidation, renewal, exchange or endorsement of calls / allotment monies (includes name deletion, transmission and transposition of securities)
- Procedural requirements are specified in Schedule VII;

Record Date / Book Closure Requirements (Regulation 42)

- Intimation to be sent to all Stock Exchanges;
- Advance notice of 7 Clear Working days to be given specifying the purpose;
- The recommendation, declaration of all dividend, Cash Bonuses, if any, shall be made at least 5 Clear Working days before the record date;
- Ensure minimum 30 days gap between 2 Record Dates and Book Closures;
- For physically held securities the closure of transfer books may be announced in place of fixing record date;

Dividend and Voting (Regulation 43 & 44)

- Dividend shall be declared & disclosed on per share basis only;
- Remote e-voting shall be provided for all resolutions;
- Voting Results in format specified to be submitted within 48 hours of conclusion of the General Meeting; (Format notified on 04.11.2015 vide Circular CIR/CFD/CMD/8/2015)

Name Change of Entity (Regulation 45)

- Name change shall be permitted subject to compliance of the following:
 - a. Minimum 1 year shall elapse from the last name change;
 - b. Minimum 50% of total revenue in the preceding one year period has been accounted for by the new activity suggested by the new name;
 - c. Amount invested in the new activity / project is at least 50% of the assets of the listed entity;
- In case of change in the activities of the listed entity and the same is not reflected in its name, it shall change its name reflecting the new activity within a period of 6 months from the change of activities;
- Upon satisfaction of the above mentioned conditions the name availability application shall be moved to the Registrar of Companies ("ROC") seeking name availability;]
- On receipt of availability of the proposed name & prior to filing of request for change, the approval of stock exchanges to be sought with a certificate from a Chartered Accountant certifying the compliance of the above conditions;

Website (Regulation 46)

- The listed entity to maintain a functional website containing the basic information about the listed entity, like
- Details of business;
- Independent Directors
 - i. Terms & Conditions of appointment;
 - ii. Details of familiarisation programmes imparted;
 - iii. Composition of various committees;
 - iv. Code of conduct of board and senior management personnel
- Policies for
 - i. Dealing with Related Party Transactions;
 - ii. Determining 'material subsidiaries';
 - iii. Vigil mechanism / whistle blower policy;
- Email address for Grievance Redressal and other relevant details;
- Contact details of Designated officials responsible for assistance and handling investor grievances;
- Notice of the Board Meeting where financial results shall be discussed and the Financial Results upon conclusion of the Meeting;
- Shareholding pattern;
- Details of agreements with media Companies;
- Schedule of analyst or institution investor meets and presentations made there at
- In case of name change, new name and old name for a period of one year;
- All items published in news papers, such as Financial Results, notices given to Shareholders by advertisements etc;
- Changes in the contents of the website shall be updated within 2 working days from the date of such change;

Advertisement in Newspapers (Regulation 47)

The listed entity shall publish the following information in the newspaper:

- Notice of Board Meeting where Financial Results shall be discussed;
- Financial Results upon conclusion of the meeting;
- Where Standalone and Consolidated results are submitted to the Stock Exchanges, the consolidated results are to be published, along with a foot note indicating Turnover, PBT & PAT on a Standalone Basis and a reference to the places, such as the website of listed entity and stock exchange(s), where the standalone results of the listed entity are available.
- Reference to the website where the financial results are published;
- Statement on deviations / variations;
- Notices given to Shareholders by advertisement;
- Website link of the entity and of the Stock Exchanges to be given where in further details are available;
- Within 48 hours of Boards' approval, the Financial Results & other information shall be published;
- This regulation is not applicable to securities listed on SMEs

Other Regulations

- To formulate a Vigil Mechanism (Regulation 22(1))
- To submit information regarding the loss of Share Certificates and Issue of the duplicate Certificates to the Stock Exchanges, within 2 days of getting the information (Regulation 39)
- The listed entity shall comply with all the applicable and notified Accounting Standards from time to time. (Regulation 48)

CHAPTER V - OBLIGATIONS OF LISTED ENTITY WHICH HAS LISTED ITS NON CONVERTIBLE DEBT SECURITIES OR NON-CONVERTIBLE REDEEMABLE PREFERENCE SHARES OR BOTH - REGULATION 49 TO 62

Regulation No.	Title
49	Applicability - NCDs & Redeemable Preference Shares
50	Intimation to Stock Exchange
51	Disclosure of information having bearing on performance/operation of listed entity and/or price sensitive information
52	Financial Results
53	Annual Report
54	Asset Cover
55	Credit Rating
56	Documents and Intimation to Debenture Trustees
57	Other submissions to stock exchange(s)
58	Documents and information to holders of non - convertible debt securities and non-convertible preference shares
59	Structure of non convertible debt securities and non convertible redeemable preference shares
60	Record Date
61	Terms of non convertible debt securities and non convertible redeemable preference shares

CHAPTER VI - OBLIGATIONS OF LISTED ENTITY WHICH HAS LISTED ITS SPECIFIED SECURITIES AND EITHER NON-CONVERTIBLE DEBT SECURITIES OR NON-CONVERTIBLE REDEEMABLE PREFERENCE SHARES OR BOTH -REGULATION 63 TO 64

This chapter contains only 2 regulations. Regulation 63 talks about applicability and regulation 64 about delisting. In the event specified securities of the listed entity are delisted from the stock exchange, the listed entity shall comply with all the provisions in Chapter V of these regulations. In the event that non-convertible debt securities and non-convertible redeemable preference shares' of the listed entity do not remain listed on the stock exchange, the listed entity shall comply with all the provisions in Chapter IV of these regulations.

CHAPTER VII - OBLIGATIONS OF LISTED ENTITY WHICH HAS LISTED ITS INDIAN DEPOSITORY RECEIPTS - REGULATION 65 TO 80

65	Applicability	73	Documents and Information to IDR Holder
66	Definitions	74	Equitable Treatment to IDR Holders
67	General Obligations	75	Advertisements in Newspapers
68	Disclosure of material events or information	76	Terms of Indian Depository Receipts
69	Indian Depository Receipt holding pattern & Shareholding details	77	Structure of Indian Depository Receipts
70	Periodical Financial Results	78	Record Date
71	Annual Report	79	Voting
72	Corporate Governance.	80	Delisting of Indian Depository Receipt

CHAPTER VIII - OBLIGATIONS OF LISTED ENTITY WHICH HAS LISTED ITS SECURITISED DEBT INSTRUMENTS- REGULATION 81 TO 87

Regulation No.	Title
81	Applicability
82	Intimation and filings with stock exchange(s)
83	Disclosure of information having bearing on performance/operation of listed entity and/or price sensitive information
84	Credit Rating.
85	Information to Investors.
86	Terms of Securitised Debt Instruments.
87	Terms of Securitised Debt Instruments.

CHAPTER IX - OBLIGATIONS OF LISTED ENTITY WHICH HAS LISTED ITS MUTUAL FUND UNITS - REGULATION 88 TO 91

Regulation No.	Title
81	Applicability
88	Applicability
89	Definitions
90	Submission of Documents
91	Dissemination on the website of stock exchange(s).

CHAPTER X - DUTIES AND OBLIGATIONS OF THE RECOGNISED STOCK EXCHANGE(S) REGULATION 92 TO 97

Regulation No.	Title
92	Dissemination
93	Transferability
94	Draft Scheme of Arrangement & Scheme of Arrangement
95	Form B accompanying Annual Audit Report.
96	Grievance Redressal
97	Monitoring of Compliance/Non Compliance & Adequacy/ Accuracy of the disclosures

CHAPTER XI - PROCEDURE FOR ACTION IN CASE OF DEFAULT - REGULATION 98 TO 99

- The Listed Entity or any other person, who contravenes any provisions of these regulations, shall be liable to action under the **Securities Laws**;
- In addition would be liable for the following actions by the respective Stock Exchanges a. Imposition of fine;
- Suspension of Trading
 - a. Freezing of promoter / promoter group holding of Designated Securities;
 - b. Any other action prescribed by the SEBI;
- If listed entity fails to pay any fine imposed on it within such period as specified from time to time, by the recognised stock exchange(s), after a notice in writing has been served on it, the stock exchange may initiate action.

CHAPTER XII - MISCELLANEOUS - REGULATION 100 TO 99

Regulation No.	Title
100	Amendments to other regulations
101	Power to remove difficulties
102	Power to relax strict enforcement of the regulations
103	Repeal and Savings

WRAPUP

This write up has been prepared with a view to give a brief insight to the readers regarding the provisions of the recently enforced SEBI (LODR) Regulations, 2015 and incite them to read the regulations in detail to understand the compliance requirements as applicable to different classes of Listed Entities. Instead of making a comparison between the erstwhile Listing Agreements and the new Listing Regulations, the provisions of the new Listing Regulations alone have been given in order to stimulate the readers to forget the past and embrace the new.

KEY MANAGERIAL PERSONNEL UNDER COMPANIES ACT, 2013

Companies Act, 2013 (Act) has introduced many new concepts and Key Managerial Personnel is one of them. While the Companies Act, 1956 recognized only Managing Director, Whole Time Director and Manager as the Managerial Personnel, the Companies Act, 2013 has brought in the concept of Key Managerial Personnel which not only covers the traditional roles of managing director and whole time director but also includes some functional figure heads like Chief Financial Officer and Chief Executive Officer etc. These inclusions are in line with the global trends. “Company Secretary” has also been brought within the ambit of Key Managerial Personnel giving them the long deserved recognition of a Key Managerial Personnel of the Company. Another noteworthy feature of this concept is that it combines the important management roles as a team or a cluster rather than as independent individuals performing their duties in isolation to others. In the current write up, we have explored this concept of Key Managerial Personnel as put forth in the Companies Act, 2013 read with the relevant rules made thereunder.

WHO IS A KEY MANAGERIAL PERSONNEL?

The definition of the term Key Managerial Personnel is contained in Section 2(51) of the Companies Act, 2013. The said Section states as under:

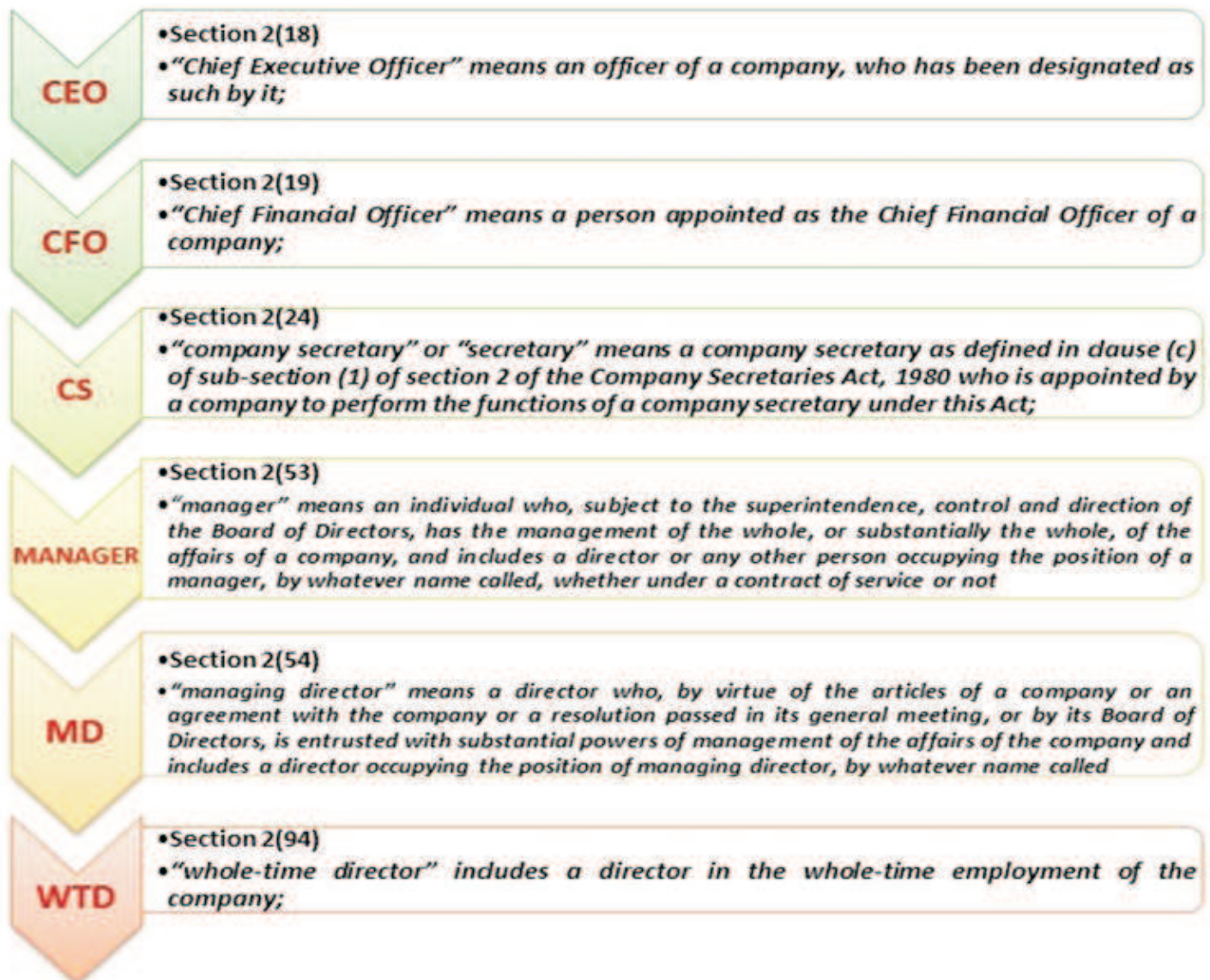
“key managerial personnel”, in relation to a company, means-

- (i) the Chief Executive Officer or the managing director or the manager;*
- (ii) the company secretary;*
- (iii) the whole-time director;*
- (iv) the Chief Financial Officer; and*
- (v) such other officer as may be prescribed;*

The above definition is an exhaustive definition but point number (v) gives the power to the legislature to include some other personnel also within the definition of Key Managerial Personnel as may be deemed fit by them from time to time. As of now, no further prescription has been made pursuant to point number (v) and therefore, as on date, the definition is confined to the six personnel mentioned above.



Let us now proceed to understand how these six personnel are defined under the Act



The above definitions depict that in the case of CEO and CFO, the designation is crucial to deem the person as CEO and CFO whereas in the case of MD and Manager the functions discharged or the role performed by an individual is taken as the test to deem them as the MD or Manager. The definition of whole time director is an inclusive definition and CS is defined to mean a CS as per the Company Secretaries Act, 1980 who is duly appointed to perform the functions of a company secretary.

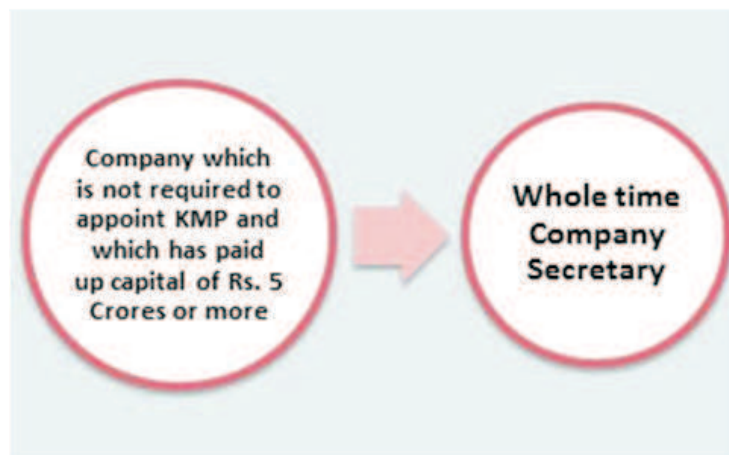
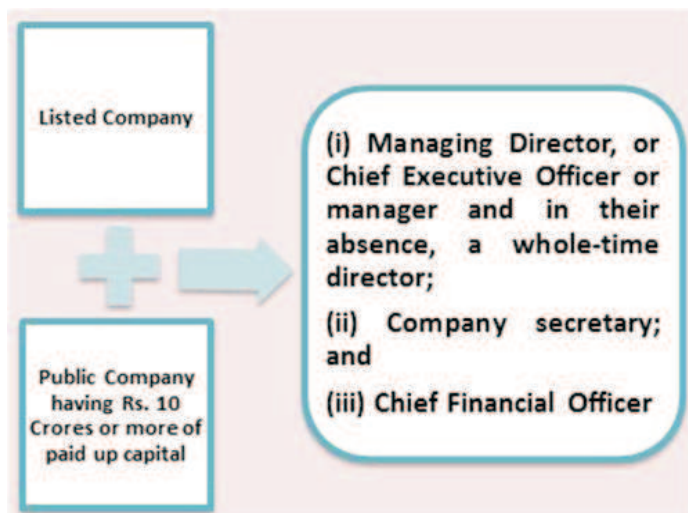
WHICH COMPANIES ARE MANDATORILY REQUIRED TO APPOINT KEY MANAGERIAL PERSONNEL

As per Section 203 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the following class of Companies, namely

- ☐ Every listed company, and
- ☐ Every other public company having paid up share capital of Rs. 10 Crores or more shall have the following whole-time key managerial personnel,-
 - (i) Managing Director, or Chief Executive Officer or manager and in their absence, a whole-time director;
 - (ii) Company secretary; and
 - (iii) Chief Financial Officer

Further, as per recently notified Rule 8A of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014,

a company other than a company which is required to appoint a whole time key managerial personnel as discussed above and which is having paid up share capital of Rs. 5 Crores or more shall have a whole time Company Secretary.



MANNER OF APPOINTMENT OF KMP

- ☐ Every whole-time key managerial personnel of a company shall be appointed by means of a resolution of the Board containing the terms and conditions of the appointment including the remuneration.
- ☐ If the office of any whole-time key managerial personnel is vacated, the resulting vacancy shall be filled-up by the Board at a meeting of the Board within a period of 6 months from the date of such vacancy.

RESTRICTIONS REGARDING APPOINTMENT OF KEY MANAGERIAL PERSONNEL:

Same person not to act as Chairman and MD/CEO

It has been provided under the Act that the role or designation of Chairman and Managing Director or Chairman and Chief Executive Officer should not be assigned to the same person. In other words, the same person should not act as both Chairman and Managing Director or Chief Executive Officer of the Company.

However, in the following circumstances, the above restriction will not apply:

- (a) the articles of the company contain provision for appointment of same person, or
- (b) the company carries only a single business, or
- (c) the company is engaged in multiple businesses and has appointed one or more Chief Executive Officers for each such business as may be notified by the Central Government

Whole time KMP not to hold office in more than one company

It has been provided under the Act that a whole-time key managerial personnel shall not hold office in more than one company at the same time, except:

- ☐ In the company's subsidiary company,
- ☐ As a director in any other company with the permission of the Board
- ☐ As a MD, if he is the managing director or manager of one and of not more than one other company and such appointment or employment is made or approved by a resolution passed at a meeting of the Board with the consent of all the directors present at the meeting and of which meeting, and of the resolution to be moved thereat, specific notice has been given to all the directors then in India.

Further, it has also been provided that a whole-time key managerial personnel holding office in more than one company at the same time on the date of commencement of this Act, shall, within a period of 6 months from such commencement, choose one company, in which he wishes to continue to hold the office of key managerial personnel.

OTHER PROVISIONS REGARDING KMP

- ☐ A KMP is included within the meaning of "Officer in Default" under the Act.
- ☐ A document or proceeding requiring authentication by a company; or contracts made by or on behalf of a company, may be signed by any key managerial personnel or an officer of the company duly authorised by the Board in this behalf.
- ☐ Details regarding KMP, changes therein and the remuneration paid to them are required to be disclosed in the Annual Return of the Company.
- ☐ Explanatory statement should disclose the nature of concern or interest, financial or otherwise, of every key managerial personnel, in respect of each items of special business to be transacted at a general meeting.

- ❑ A person whose relative is employed as a KMP in a company is disqualified to be appointed as auditor in that company.
- ❑ A person is disqualified to be appointed as an independent director if he either himself or through his relative holds or has held the position of a key managerial personnel of the company or its holding, subsidiary or associate company in any of the 3 financial years immediately preceding the financial year in which he is proposed to be appointed.
- ❑ Company is required to maintain a register of the KMPs at its registered office containing particulars which shall include the details of securities held by each of them in the company or its holding, subsidiary, subsidiary of company's holding company or associate companies.
- ❑ A return of every appointment and change in KMP has to be filed with the ROC within 30 days of the appointment or the change as the case may be.
- ❑ The key managerial personnel shall have a right to be heard in the meetings of the Audit Committee when it considers the auditor's report but shall not have the right to vote.
- ❑ The remuneration policy of the KMP is to be recommended by the Nomination and Remuneration Committee who should ensure that the policy involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals. Such policy shall be disclosed in the Board's report.
- ❑ Every key managerial personnel shall, within a period of 30 days of his appointment, or relinquishment of his office, as the case may be, disclose to the company the particulars specified in sub-section (1) of section 184 relating to his concern or interest in the other associations which are required to be included in the register under that sub-section or such other information relating to himself as may be prescribed.
- ❑ Key Managerial Personnel are prohibited to make forward dealings and insider trading in securities of the company.
- ❑ Financial statements of a company are required to be signed either by the Chairperson of the company (where he is authorised by the Board) or by two directors out of which one shall be managing director and the Chief Executive Officer, if he is a director in the company, the Chief Financial Officer and the company secretary of the company, wherever they are appointed.

PENALTY FOR CONTRAVENTION

On Company	Fine which shall not be less than Rs. 1,00,000/- but which may extend to Rs. 5,00,000/-
On every director and key managerial personnel of the company who is in default	Fine which may extend to Rs. 50,000/- and where the contravention is a continuing one, with a further fine which may extend to Rs. 1,000/- for every day after the first during which the contravention continues.

ARTICLE

Compiled by CS PRIYANKA VYAS

Revised List of Blocked Credit Under GST From 01.02.2019

Every registered person under GST can claim ITC of goods and services or both received in course or furtherance of business subject to certain stipulations as laid down primarily under Section 16, 17, and 18. Sub-section (5) of section 17(5) of Central Goods & Services Tax Act, 2017, gives comprehensive list of supplies on which Input tax credit is blocked, commonly known as "Blocked-Credit". This list of blocked credit has been updated by amendment in GST Act which shall come into force from 1 February 2019 and the same is presented below in a tabular form for understanding purpose.

S. No.	Nature of Goods or Service or both	Exception (Who can claim ITC even when it is Blocked for others)	Examples
1	Motor Vehicle for transportation of persons with seating capacity not more than 13 persons (including driver), except when the supply used for:- a) Further supply of such motor vehicles b) Further engaged in business of Transportation of Passengers c) Training on driving of such motor vehicles	Credit shall be allowed only to such persons who are engaged in the supply of activities as mentioned in point no. a), b), & c)	Company purchase car for director use or employee's transportation, the ITC on such motor vehicle is not allowed. But if such company purchase bus with seating capacity more than 13 persons for transportation of their employees, it can claim ITC.

S. No.	Nature of Goods or Service or both	Exception (Who can claim ITC even when it is Blocked for others)	Examples
2	Purchase of Vessels and Aircraft except when they are used for:- a) Further supply of such vessel and aircraft b) Further engaged in business of Transportation of Passengers or Goods c) Training on navigation of such vessel or flying such aircraft	Credit shall be allowed only to such persons who are engaged in the supply of activities as mentioned in point no. a), b), & c). [Subject to availing the benefit of entry no. 9(ii) of notification no. 11/2017-CT (R).]	For example, ITC on purchase of aircraft for travel of Board of Directors of company cannot be availed.
3	Credit of following services not allowed w.r.t. motor vehicles, vessel and aircrafts as mentioned above a) Service of General insurance b) Servicing, repair & maintenance	Credit of such services will be allowed only to those who are eligible to avail ITC on purchase of such motor vehicles, vessels and aircrafts. The manufacturer of such motor vehicles, vessels and aircrafts can claim ITC on such services. The person engaged in the business of general insurance of such motor vehicles, vessels or aircraft insured by him.	A transport company purchase truck for transportation of goods can claim ITC of such services, but a company bought car for director in the name of company cannot avail ITC on such services. The vehicle manufacturers can claim ITC of such services like, TATA, Maruti, Honda etc. General insurance companies can avail the ITC of such services only in case where insurance is done w.r.t. motor vehicles, vessels and aircrafts by company and claimed by customer
4	Food & Beverages Outdoor Catering Beauty Treatment Health Services Cosmetic & Plastic Surgery Leasing Renting & Hiring of Motor Vehicles, Vessels and Aircrafts Life Insurance Health Insurance	Credit of ITC is allowed only to such persons who further use these supplies to provide same category of supply or as an element of a taxable composite or mixed supply. If any of these services are obligatory in nature under any law, then such registered person can claim ITC of such services.	Outdoor catering service availed by company for employees or any other person, the ITC on such service is not allowed. However, ITC of same is allowed if an outdoor caterer avail services of another caterer. Hiring of Bus for transportation of employees, or cab facility, the ITC is not allowed. Health insurance or Canteen in factory compulsory under Factory's Act, then ITC can be claimed.
5	Membership of Club, health & Fitness Centre	If any of these services are obligatory in nature under any law, then such registered person can claim ITC of such services.	For example, Golf club membership paid by company, then ITC is not allowed.
6	Travel Benefit Extended to Employees on Vacation such as leave or home travel concession	If any of these services are obligatory in nature under any law, then such registered person can claim ITC of such services.	For example, air ticket sponsored by company for holiday of employee, then ITC is not allowed.
7	Works Contract Service used for immovable property other than plant & machinery but including repair maintenance & renovation to the extent of capitalization	Credit of ITC shall be allowed only to such persons who further use these supplies to provide same category of supply like construction of building etc.	ITC on construction of office and factory is not allowed. However, if repair & maintenance is done and the same is not capitalized in books then ITC is allowed.
8	Goods and services received for Construction of Immovable Property on his own account	Credit of ITC shall be allowed only to such persons who further use these supplies to provide same category of supply	ITC of goods and services not allowed for Construction of new office/factory, whether goods are purchase by company itself.

S. No.	Nature of Goods or Service or both	Exception (Who can claim ITC even when it is Blocked for others)	Examples
9	Composition Dealer	—	Goods and services on which tax is paid under composition scheme by the dealer, ITC shall not be allowed of such supply.
10	Goods and services received by Non-Resident Taxable Person	Non-resident person supply goods and services in India except in case where goods imported by him	This clause is applicable on non-resident persons only
11	Supply used for Personal Consumption	—	For example, fees of director personal income tax return paid by company, then ITC on such inward supply is not allowed
12	Goods Lost, Stolen, Destroyed, Written off, free samples	—	Goods stolen during transportation, then ITC is not allowed.
13	Tax Paid Under Section 74, 129 & 130	—	ITC is not allowed where tax has been paid by any person due to fraud, wilful-misstatement.



TAILORING SOLAR POWER FOR TEXTILE INDUSTRY

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Member, Energy Committee, MCCI, Bhilwara

The Indian Textile Industry has always been amenable in adapting newer and more efficient technologies. Electricity is most necessary input that mill needs today and it has always remained area of concern in this segment. Textile industry has been early adopter of renewable energy in India and has contributed largely in the growth of clean energy in the country. Many textile mills have set-up captive power plants, wind mills and now solar power plants. With the evolution of solar ecosystem in India and knowing the numerous advantages of solar energy, textile industry has embraced the solar power and started to deploying solar systems in a fairly big way. To tap the vast potential of solar power and provide efficient and cost effective solutions, many companies (EPC players, developers and installers) are working closely with the textile industry providing tailor made solutions based on customer requirements. The companies have dedicated team to service customers from this segment. For industrial consumers electricity tariff is quite high as compared to all other sectors. On the other hand solar power is much cheaper and interestingly, the solar power tariff is going to remain almost the same throughout the lifetime of the solar plant (except for degradation and some replacement), whereas the rates for power from conventional sources are expected to escalate year on year.

The textile sector is one of the highest energy consuming sectors in the country. Textile processing covers steps ranging from singeing (removal of protruding fiber) to finishing and printing of the fabric and manufacturing polyester, polyester filament yarn, acrylic, nylon, viscose, cotton textiles, etc.

Textile processing requires a lot of hot water in the range of 40–110°C at various stages of the process. The requisite heat can easily be generated through solar energy. Adopting solar heating methods will contribute a total saving of 383 ktoe per annum. Such application of solar energy in textile industry has the potential of saving Rs. 770 crore per annum. A total saving worth Rs. 13940 per annum has been identified in the sector according to PGCIL.

Why Solar for Textile

Solar gives textile manufacturers control of one of the critical cost variables, power, and provides them a long-term differentiation. While as a percentage of conversion cost spinning mills have higher percentage, dyeing and fabric units will also benefit from its adoption. The early adopters of solar power who avail themselves of AD and REC benefits currently available would have built a long-term differentiator for their businesses and a winning proposition in the marketplace.

The grid power costs are expected to escalate at six per cent YoY, moreover accessibility of grid power is also challenging, resulting in higher usage of diesel increasing overall energy costs. It is essential to have energy security for the future and also minimize the current diesel consumption costs leading to faster payback of the solar investment.

Subsidy

Government has recently approved a new scheme to provide financial assistance in the form of capital subsidy to small power loom units for installation of solar PV (SPV) plants. The scheme aims to alleviate the problem of power cuts faced by the decentralized power loom units in the country.

Under the scheme, the plants have two options – (i) On-Grid Solar Power Plant in areas where power cuts and shortages are negligible and power tariff is high. (ii) Off-Grid Solar Power Plant in areas where there is a power shortage and on-grid power is not continuously available.

The funds requirement for the three years (2017-18, 2018-19 and 2019-2020) would be Rs 19.95 crore covering 480 power loom units, Union Textiles Minister Smriti Irani said in a written reply in the Rajya Sabha. The subsidy is expected to make power cost economical for the looms and make the units self-sufficient on the power front while the government can supply grid power to other industries.

One of the leading textile manufacturers speaking to Saur Energy International said that most the manufacturers in India are not aware of the available subsidies and where to reach for installation of new source of energy. He said complexity of subsidy structure & involvement of too many agencies making it more complicated for the industry to go solar. However, several industrial consumers of electricity have to meet their RPO, and setting up of a solar plant is one of the simplest ways to comply with the RPO. Unlike commercial establishments, most of the automotive factories have vast unshaded roof area and vast tracts of unused land. Setting up of solar plants in these unshaded and unused areas is a relatively easy task.

Pros and Cons of Solar for Textile Industry

According to IBEF, around 293 global and domestic companies have committed to generate 266 GW of solar, wind, mini-hydel and biomass-based power in India over the next 5–10 years. The initiative would entail an investment of about US\$ 310–350 billion.. Textile sector contributes 14% to industrial production, 4% to India's GDP and constitutes 13% of the country's export earnings. Textile industries have advantage to use solar energy through one of these modes: Open access, captive power plant & rooftop plants notes the Indian Solar Market.

Captive solar power plants and rooftop solar energy are best routes for electricity cost reduction for textile industry says ISM.

Rooftop Solar Plants:

Rooftop solar plants on the other hand are located on textile industry's premise only. Site of solar energy generation and consumption being same, the line losses reduce. Additionally no open access charges are borne by the industrial consumer. Accelerated Depreciation benefit can be availed by textile industry to save their taxes. But unlike captive consumers, solar energy consumption from rooftop power plants requires 100% investment on capital cost, if the asset is purchased under capex model. Textile industry itself entails a good amount of investment. An additional investment on rooftop solar energy plants may look a burden for them. Although banks provide 70% debt to raise the capital cost, the balance 30% equity still runs into few crores for 1 MW solar plant. Besides, the maintenance of rooftop power plants is entirely a responsibility of the owner/industry itself. Then comes opex model, where a textile industry need not invest a single penny on rooftop solar. A financier or EPC raises the capital cost for them. In turn, the textile industry pays for the use of solar energy generated from power plant periodically.

Conclusion

The incredible drop of solar module prices and the growth of the solar ecosystem have created the ideal situation for more widespread adaption of solar PV systems. Textile industry can benefit hugely by deploying solar projects in large scale. Industrialist can save Rs 12 lacs per annum by generating 170000 units in 100 kilowatt solar power project easily apart from tax savings in income tax.



LEGAL UPDATES

GST

Giving effect to the Order No. 2/2018 - Central Tax - Seeks to extend the due date for availing ITC on the invoices or debit notes relating to such invoices issued during the FY 2017-18. GST Portal enabled Option to amend Invoices, Debit and Credit notes pertaining to FY 2017-18 from January 2019 GSTR1.

GST

The GST Authorities with intent to bring into effect the amendments regarding Reverse Charge Mechanism (RCM) on supplies by unregistered persons in the GST Act have rescind its earlier notification No. 8/2017-Central Tax (Rate) dated 28.06.2017. Reverse Charge Mechanism u/s 9(4) and 5(4) will be applicable again with effect from 01.02.2019. RCM applicable without any exemption limit wef 01-02-2019 for a class of registered persons in respect of supply of specified categories of goods or services or both received from an unregistered supplier as per the amended section 9(4) of CGST Act. However, the authorities are yet to notify the class of registered persons and specified categories of goods. The RCM shall be applicable only after the notification of specified dealers or specified goods or services.

MCA

The MCA has notified the Specified Companies (Furnishing of information about payment to micro and small enterprise suppliers) Order, 2019 which shall come into force from the date of its publication in the Official Gazette i.e 22-01-2019. The Central Government has earlier directed all companies, who get supplies of goods or services from micro and small enterprises and whose payments to micro and small enterprise suppliers exceed forty five days from the date of acceptance, as per the provisions of Section 9 of the Micro, Small and Medium Enterprises Development Act, 2006, shall submit a half yearly return to MCA stating the amount of payment due and reasons of the delay. Every such specified company shall file in MSME Form I details of all outstanding dues to Micro or small enterprises suppliers existing on the date of notification of this order within thirty days from the date of publication of this notification i.e 20-02-2019. Every such specified company shall file a return as per MSME Form I, by 31st October for the period from April to September and by 30th April for the period from October to March.

MCA

MCA has notified much awaited eForm INC-20A (Declaration for commencement of business). The form is required to be filed by all companies incorporated on or after 02-11-2018 within 180 days from the date of incorporation. Further, the MCA has revised the version of the **eForm INC-12** (Application for grant of License under section 8), **Form INC-22** (Notice of situation or change of situation of registered office), **Form INC-23** Application to Regional Director for approval to shift the Registered Office from one state to another state or from jurisdiction of one Registrar to another Registrar within the same State), **Form GNL-1** (Applications made to Registrar of Companies), **Form Spice** (Simplified Proforma for Incorporating Company Electronically (SPICE) - with mandatory PAN & TAN application included), **Form FLLIP** (Form for Incorporation of Limited Liability Partnership) and **Form 15** (Notice for change of place of registered office) are revised and available on Company Form Download page at MCA website. Stakeholders may kindly take note and are advised to check the latest version before filing.

MCA

Highlights of Companies (Amendment) Ordinance 2019

1. Commencement Certificate is mandatory now to be obtain within 6 months of Incorporation without which, it cannot comment its business activity or borrow money.
2. The ROC can strike off a company if the address of Regd. Office is bogus or incomplete/improper address.
3. Conversion of public Ltd to Pvt Ltd matters shifted from NCLT to Regional Directorate.
4. Company cannot issue shares at discount, - heavy penalty imposed on violation.
5. Alteration of Authorised Capital to be intimated within 30 days, default - penalty 1000 every day or 5 Lac whichever is less.
6. Creation of charge filing with ROC- time limit reduced from 300 days to 60 days.
7. Wrong statement/ information in filing Charge forms with ROC may lead to misrepresentation and jail
8. Annual Return should be filed within 60 days from AGM, failure to this, penalty of 100 per day to Company + directors max 5 Lakh apart from ROC delay charges is applicable.
9. Penalty of 5 lakh to Company secretary certifying wrong Annual Return.
10. Explanatory statement to be given with Notice of General Meeting must contain all details as required by Law, if no detail/short detail/misleading - penalty for Company + Directors + KMP - 50K
11. Filing of Resolutions with ROC- delay will be very costly now. Penalty for defaulter increased substantially. 500 every day max 25 Lakh
12. Filing of Balance sheet with ROC within time limit- failure is costly for Company + Directors both. Penalty of 100 per day + 1 lakh to Company + Director each.

13. Resignation of Auditor must be filed by the resigning Auditor within 30 days, failure to which the resigning Auditor is liable for penalty of 50,000 + 500 per day.
 14. A director cannot become director in more than 20 companies. If he continues, he becomes disqualified now.
 15. Appointment of CS on payroll (Pvt Co having paid-up capital 5 cr & above) is mandatory. Default is now very costly- penalty increased substantially.
- ROC may strike off a company if subscribers have not paid initial share capital after incur

IBBI

The Insolvency and Bankruptcy Board of India has notified the Insolvency and Bankruptcy Board of India (Insolvency Resolution Process for Corporate Persons) (Amendment) Regulations, 2019 to discourage persons, other than genuine, capable and credible resolution applicants, to submit resolution plans. The amendment mandates that the request for resolution plans shall require the resolution applicant, in case its resolution plan is approved by the committee of creditors, to provide a performance security. The Resolution Professional shall attach the evidence of receipt of performance security while submitting the resolution plan to the Adjudicating Authority for approval. Such performance security shall be forfeited if the resolution applicant of such plan, after its approval by the adjudicating authority, fails to implement or contributes to the failure of implementation of the plan. The amendment also requires that the resolution plan shall include a statement as to whether the resolution applicant or any of its related parties has failed to implement or contributed to the failure of implementation of any resolution plan approved by the Adjudicating Authority under the Insolvency and Bankruptcy Code, 2016 at any time in the past. The amendment enables a creditor, who is aggrieved by non-implementation of a resolution plan approved by the Adjudicating Authority, to apply to the Adjudicating Authority for appropriate directions.

RBI - FEMA

RBI has notified the Foreign Exchange Management (Establishment in India of a Branch Office or a Liaison Office or a Project Office or any Other Place of Business) (Amendment) Regulations, 2019 which shall come into force from the date of publication in the official Gazette i.e 21-01-2019. The Amendments to Regulation 5(c) for the existing proviso is being carried out to provide more clarity by inserting that the approval of the Reserve Bank of India is not required in case the approval or license/permission by the concerned Ministry/Regulators as the case may be, if the principal business of the applicant falls in the four sectors namely Defence, Telecom, Private Security and Information and Broadcasting.

SEBI

SEBI has widened the scope of existing insider laws of the Country by notifying the Securities and Exchange Board of India (Prohibition of Insider Trading) (Amendment) Regulations, 2018 which shall come into force on April 01, 2019. The amendments includes **defining of term 'Proposed to be listed', Omission of material events in accordance with listing agreement from the definition of unpublished price sensitive information, Implementation of policy w.r.t. sharing of UPSI for "legitimate purposes", Setting and maintaining of Structured Digital Database, Expanding the ambit of exclusions pertaining to trading while in possession of UPSI, Mandatory reporting of Inter – se transfer between insiders while in possession of UPSI, Clarification w.r.t. filing continual disclosures from employee to designated persons, Widening the scope of Code of conduct for Listed Companies, Intermediaries and other persons, Review of Internal Control system by the Audit Committee, Enforcing whistle blower policy for tightening the norms of leak / suspected leak of UPSI and reporting thereof. Further, SEBI has notified the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 (Last amended on December 31, 2018) for the benefit of the stakeholders.**

DIPP

The Department of Industrial Policy and Promotion (DIPP) has simplified the procedure for startups to claim exemption from the applicability of Section 56(2)(viib). The start-ups had been receiving notices from the Dept. for levying tax on proceeds received by them by issuing shares to investors at inflated prices. The Assessing Officers were making additions in the residuary income of start-ups under section 56(2)(viib) by rejecting their abnormal share valuations i.e 'Angel tax'. Since a start-up is valued on the basis of the business potential of its idea, applying section 56(2)(viib) to recover the tax on pretext of inflated valuation would be prejudicial to the interest of the start-ups. The DIPP has provided the much needed relief to the startups by issuing the said notification. It requires start-ups to file new Form-1 and Form-2 in order to claim tax incentives. The application in Form-1 shall be filed along with prescribed documents before CBDT to obtain a tax exemption certificate under Section 80-IAC while Form-2 has to be filed to claim exemption from the applicability of provision of Angel tax. The notification also prescribed certain conditions which have to be fulfilled by the start-ups and their investors in order to become eligible to file these Forms. The exemption from Angel tax has been extended to all previous investments as well. The new notification extends the benefit for both, existing issues and shares proposed to be issued by the start-ups. The condition of obtaining a report from a merchant banker specifying the fair market value of shares in accordance with Rule 11UA of the Income-tax Rules, 1962 has also been withdrawn by the DIPP.

Foreign Exchange Management (Establishment in India of a Branch Office or a Liaison Office or a Project Office or any Other Place of Business) (Amendment) Regulations, 2019

G.S.R. 40(E) dated 21st January 2019 issued by RBI

In exercise of the powers conferred by sub-section (6) of Section 6 of the Foreign Exchange Management Act, 1999 (42 of 1999) the Reserve Bank of India makes the following amendment in the Foreign Exchange Management (Establishment in India of a Branch Office or a Liaison Office or a Project Office or any Other Place of Business) Regulations, 2016 [Notification No. FEMA 22(R)/RB-2016 dated March 31, 2016], namely:

1. Short Title & Commencement:-

(i) These Regulations may be called the Foreign Exchange Management (Establishment in India of a Branch Office or a Liaison Office or a Project Office or any Other Place of Business) (Amendment) Regulations, 2019.

(ii) They shall come into force from the date of publication in the official Gazette.

2. Amendment to Regulation 5

In Regulation 5, in clause (c) for the existing proviso, the following shall be substituted namely:

“Provided that approval of the Reserve Bank of India is not required in case where Government approval or license/permission by the concerned Ministry/Regulator has already been granted. Further, in the case of proposal for opening a project office relating to defence sector, no separate reference or approval of Government of India shall be required if the said non-resident applicant has been awarded a contract by/entered into an agreement with the Ministry of Defence or Service Headquarters or Defence Public Sector Undertakings.”



CORPORATE NEWS

RBI prepares for full financial inclusion in hinterland

The Reserve Bank of India (RBI) has begun preparation for driving the next stage of financial inclusion, seeking to enhance the penetration of insurance and pension coverage besides bridging the gaps in traditional banking services in the country's rural hinterland. Financial regulators may have formal roles in achieving the targets. The future strategy will include financial inclusion goalposts not only for state-run enterprises, which have traditionally led the initiatives to help achieve the government's social objectives, but also the economic regulators for which specific roles are being crafted. To that end, the government may assign pre-set goalposts for RBI and the other financial and economic regulators, such as the Insurance Regulatory & Development Authority of India, Pension Fund Regulatory & Development Authority of India, Pension Fund Regulatory & Development Authority and Securities & Exchanges Board of India, RBI officials familiar with the matter told ET. The broad idea is to deepen the overall financial services coverage.

RBI has sent a draft National Strategy for Financial Inclusion to the Financial Stability & Development Council (FSDC), headed by the finance minister, for its review. The strategy, which is in the works, will cover a five-year period from 2019

A sub-committee of FSDC is reviewing the draft. The strategy may be ready in six months,” said an RBI official, who did not wish to be named. “Sebi's role in financial inclusion may be limited to the urban pockets.”

The future plan may also elaborate on expanding the scope of direct benefit transfer, which is at present restricted to 23% of total Jan Dhan accounts, according to official data.

The proportion of people joining the formal financial system in terms of an account at financial institutions has more than doubled since 2011, RBI said in a progress report. Banking coverage reached 80% of the Indian population, although 23% of these accounts receive direct benefit transfers, according to data up to August 2018.

At present, the third phase of RBI's financial inclusion plan (2016-19) is being implemented. RBI's plan beginning 2010 focused on opening banking outlets in every village with a population of 2,000.

In parallel, the Pradhan Mantri Jan Dhan Yojana (PMJDY), launched in August 2014, has been implemented in two phases up to August 14, 2018. The first phase until 2015 aimed at providing universal access to banking facilities, basic banking accounts for savings and remittance, and RuPay Debit card with an in-built accident insurance cover of Rs 100,000.

In the second phase, banks extended overdraft facilities of up to Rs 5,000 to Jan Dhan account holders, created the Credit Guarantee Fund for coverage of defaults in overdraft accounts, and introduced micro-insurance and unorganized sector pension schemes.

Within a span of four years, the total number of accounts opened under the PMJDY expanded to 32.8 crore, with Rs 85,100 crore deposits as on September 28, 2018, RBI data showed. Of these accounts, 59% were opened at branches located in rural and semi-urban centres.

“In terms of the usage of these accounts, however, the initial spurt in average balances slowed down during 2017-18,” the banking regulator said.

Corporate Governance reforms 2.0 at PSBs soon

The government will soon initiate the next series of corporate governance reforms at state-run lenders, including a more diversified board structure, stronger board-level committees and a robust performance management system for employees.

A finance ministry official aware of the deliberations said the aim is to put in place a standard operating environment on governance in public sector banks (PSBs) in alignment with the Companies Act wherever required.

“There have been some suggestions made by the Banks Board Bureau (BBB). We are also in discussion with the Reserve Bank of India (RBI) to adopt best practices from both private banks and global financial institutions,” the official said, adding PSBs have been directed to strengthen internal controls and risk-management practices. “We need a system which should also remunerate non-revenue generating functions' staff,” he said.

Among key proposals made by the BBB and being actively considered are further professionalizing the boards of PSBs and bringing in experts in risk management, information technology and human resource management.

“One of the suggestions is to reconstitute the management committee of the board which takes decisions on large value loans,” the official said. “Then we are also looking to strengthen the risk-management committee, which should be given a mandate to set a definite matrix for various credit underwriting activities.” Another proposal is to firewall the audit committee of the board so that full-time directors are not a part of it.

In its recommendations, the BBB has also suggested that a nomination and remuneration committee (NRC) should be set up in banks, along the lines suggested by the Companies Act, 2013. Under its reforms agenda for state-run lenders termed EASE-Enhanced Access and Service Excellence-the government had directed PSBs to draw up a board-approved strategic vision consistent with their risk-appetite framework.

Lenders were also told to develop more focussed performance management systems (PMS) to incentivise and fast-track the promotion of top performers.

Earlier this month, RBI governor Shaktikanta Das had said the government, the BBB and the central bank are engaged in developing an objective framework for performance evaluation and this should redefine the contours of corporate governance in PSBs with a focus on transparency, accountability and skills.



MSME, MICROFINANCE & STARTUPS NEWS

Govt needs to focus on agricultural reforms, SMEs to push private investment

Agricultural reforms and the revival of small enterprises will be key to driving private investment even as economists cautioned that an immediate recovery is unlikely.

“The global economy has begun to slow down, so growth has to be domestically driven. A fiscal stimulus may not do the trick by itself, but bringing demand up should be the government's priority,” said former chief statistician Pronab Sen.

Consumption demand is going to come from agriculture and micro, small and medium incomes, that is, from the poor, and that should be the focus area.

“These two areas particularly need attention because while agriculture is going through a period of deflation, the SME (small and medium enterprises) sector is still broken,” he said.

The statistics office has projected gross fixed capital formation growing at 12.2% in FY19 and India Ratings expects it to clock 10.3% in FY20. An Ind-Ra study of the top 200 listed and unlisted non-financial asset-heavy corporates suggests that private sector capex is unlikely to revive before FY21.

One of the reasons is low capacity utilization by India Inc. According to the Reserve Bank of India (RBI) quarterly survey of manufacturing companies, capacity utilization since FY16 has been in the range of 71-75.5%. In the first quarter of FY19, a survey of 850 companies showed capacity utilization at 73.8%. That needs to pick up substantially before companies start investing in creating new capacities.

Government is the only source of large investments but may become constrained by loan waivers, said CARE Ratings chief economist Madan Sabnavis.

“So, animal spirits will not work in India and one should focus on a gradual pickup,” he said.

Experts said industry needs easier funding and higher manufacturing capacity utilization. However, they ruled out private investment in textiles, because it already has a bad loan problem, and the power sector as it is already running a surplus.

The bankruptcy resolution framework that's been put in place is still in the process of getting streamlined, said one expert.

“The Insolvency and Bankruptcy Code (IBC) has run into a muddle and it is not possible to clear all NPAs (nonperforming assets),” said an economist on condition of anonymity. “There will be a slow pickup in investments as and when the economy grows. We don't see this happening in FY20.”

Reforms

Sen said that though the government may tell banks to go slow on declaring SMEs as bad assets, a large number have already become NPAs after demonetisation in November 2016 and the rollout of the goods and services tax (GST) in July 2017.

“It may be a little late in the day. As for agriculture, public investment is limited to irrigation but one should not expect private investment till the time it assures returns,” he explained.

While demonetization and GST affected growth earlier, investment has also been slowed by the liquidity crunch of the past few months. Elections have added to the uncertainty. Challenging labour reforms are an added deterrent for companies in a low-growth phase and that is when they circumvent rules to hire more contract labour, according to Sabnavis



IBC NEWS

Government wants lenders, resolution professionals to close 12 top bankruptcy cases by March 31

Officials reviewing the progress of 12 top bankruptcy proceedings in the country have urged the bankers and resolution professionals to close these cases by March 31, pointing to further federal scrutiny of these insolvencies that have been delayed by protracted litigation.

“The government is keen to expedite all such dozen cases stuck in litigation. It has directed all 12 resolution professionals to complete those bad-loan cases by March 31,” said a person aware of the discussions at the high-level review meeting on Monday. “You can expect frequent government interventions in the coming days.”

Injeti Srinivas, secretary Ministry of Corporate Affairs, and Insolvency and Bankruptcy Board chairman M S Sahoo presided over the meeting that was also attended by other senior officials. About two or three lenders in each case and the respective resolution professionals, or bankruptcy administrators, attended the review.

“Resolution professionals discussed the challenges faced under group insolvency and in cases where courts have approved of last-minute changes,” said a senior government official.

New Delhi has also suggested immediately going to higher courts, such as the National Company Law Appellate Tribunal (NCLAT), “if you are stuck in any matter with the NCLT,” said a senior executive with direct knowledge of the discussions.

The top 12 defaults account for about a fourth of the country's bad-loan pile. The maximum time allowed under the Insolvency and Bankruptcy Code (IBC) for resolutions is 270 days.



AMENDMENT IN ADVANCE AUTHORIZATION SCHEME.

The Government has amended the proviso of para (viii) of notification number 18/2015-Cus dated 01.04.2015 vide Notification number 01/2019-Customs dated 10th January 2019. The said notification deals with exemption from the advance authorization scheme.

As per amended notification, if exemption from integrated tax and compensation cess leviable under sub-section (7) and sub-section (9) of section 3 of the said customs tariff act, has been availed, then export obligation has to be fulfilled by physical exports or by making domestic supplies mentioned at serial number 1, 2 and 3 of the table contained in notification number 48/2017-CT dated 18th October 2017. Earlier, the export obligation can be fulfilled by doing physical export only.

Further, the government has deleted the condition number (xii) which says that the exemption from integrated tax and compensation cess leviable shall be subject to pre-import condition. Similar amendment has been made in the notification number 20/2015-Customs dated 1st April 2015 which deals with advance authorization for annual requirement.

Cabinet approves proposal for Amendment to the Micro, Small and Medium Enterprises Development Act, 2006 to change the criteria of classification and to withdraw the MSMED (Amendment) Bill, 2015 – pending in Lok Sabha

The Union Cabinet chaired by the Prime Minister Shri Narendra Modi has approved change in the basis of classifying Micro, Small and Medium enterprises **from 'investment in plant & machinery/equipment' to 'annual turnover'**.

This will encourage ease of doing business, make the norms of classification growth oriented and align them to the new tax regime revolving around GST (Goods & Services Tax).

Section 7 of the Micro, Small and Medium Enterprises Development (MSMED) Act, 2006 will accordingly be amended to define units producing goods and rendering services in terms of annual turnover as follows:

- ☐ A micro enterprise will be defined as a unit where the annual turnover does not exceed five crore rupees;
- ☐ A small enterprise will be defined as a unit where the annual turnover is more than five crore rupees but does not exceed Rs 75 crore;
- ☐ A medium enterprise will be defined as a unit where the annual turnover is more than seventy five crore rupees but does not exceed Rs 250 crore.
- ☐ Additionally, the Central Government may, by notification, vary turnover limits, which shall not exceed thrice the limits specified in Section 7 of the MSMED Act.

At present the MSMED Act (Section 7) classifies the Micro, Small and Medium Enterprises (MSMEs) on the basis of investment in plant and machinery for manufacturing units, and investment in equipment for service enterprises. The criterion of investment in plant and machinery stipulates self declaration which in turn entails verification if deemed necessary and leads to transaction costs.

Taking turnover as a criterion can be pegged with reliable figures available e.g. in GST Network and other methods of ascertaining which will help in having a non discretionary, transparent and objective criteria and will eliminate the need for inspections, make the classification system progressive and evolutionary, help in overcoming the uncertainties associated with the classification based on investment in plant & machinery/equipment and employment, and improve the ease of doing business. In addition the amendment will provide flexibility to the Government to fine-tune the classification of MSMEs in response to changing economic scenario without resorting to the amendment of MSMED (Micro, Small & Medium Enterprises Development) Act.

The change in the norms of classification will enhance the ease of doing business. The consequent growth and will pave the way for increased direct and indirect employment in the MSME sector of the country.



Declaration Commencement of Business Companies (Amendment) Ordinance, 2019 E-form 20A w.e.f. 26.01.2019 Section 10A Rule 23A

As per Companies (Amendment) Ordinance, 2019 effective w.e.f. 2nd November, 2018 a new Section 10A (i.e. Commencement of Business) inserted in Companies Act, 2013.

Effect of new section:

As per 10A, a company incorporated after ordinance SHALL NOT COMMENCE its business or exercises any borrowing powers unless:-

- ☐ A declaration is filed by the directors within 180 days from date of incorporation of company with Roc that 'every subscriber to the MOA has paid the value of the shares agreed to be taken by him'.
- ☐ A verification of registered office as required filing u/s 12(2) within 30 days of incorporation.

WHO SHALL FILE

Every company incorporated after the Commencement of Companies (Amendment) Ordinance 2019 (i.e 02 November 2018) And Having Share Capital

WHO SHALL NOT FILE

Companies incorporated before 02 Nov 2018

Companies incorporated after 02 Nov 2018 not having share capital

WHEN

Every such company is required to File INC 20A form within 180 days of its incorporation

FAQ

1. In which Form Company shall file declaration.

Company shall file declaration in e-form 20A form 20A (i.e. Declaration of Commencement of Business).

2. Whether ROC shall issue any Certificate of Commencement of Business after filing of declaration.

As per language of Section and content of form ROC, one can opine that ROC shall not issue any certificate of Commencement of Business.

3. Whether Company can start business or generate revenue before filing of declaration with ROC in e-form 20A.

As per language of Section 10A read with rule 23A, one can opine that a Company can't start any business activity before filing of declaration with ROC.

4. Whether it is mandatory for companies incorporated after 02.11.2018 to file e-form INC-22 within 30 days of Incorporation.

Legal Language:

As per Section 12(2) read with rule 25 “The Company shall furnish to the Registrar verification of its registered office within a period of thirty days of its incorporation in e-form INC-22 along with attachments”.

Answer: As per section 10A, one can opine that it is mandatory to file e-form INC-22 within 30 days of incorporation of Company. If Company incorporated after 02.11.2018.

5. What shall be proof to show that Company has received subscription money from subscribers?

Proof can be followings:

Copy of Bank Statement of Company.

Declaration from Director of Company or take note of same by Board in Board Meeting

6. What shall be consequences (in form of penalty), if company fails to file eform 20A within 180 days?

Following shall be penalties:

- a. Penalty on Company: Company shall be liable for Penalty of Rs. 50,000/-
- b. Penalty on every Officer: Penalty shall be Rs. 1,000/- for each day during which default continue but maximum penalty Rs. 100,000/-

7. What can be other consequences, if Company fails to file e-form 20A declaration with ROC

If company fails to file such declaration within 180 days from the date of incorporation then Roc has reasonable cause to believe that the Company is not carrying on any business or operation, ROC may, initiate action for removal of name of Company (Strike off)

NOTE:

- ☐ Form 20A is mandatory to get certified by Practicing CS, CA or CWA. Therefore, if there is any default in form or documents professionals shall be liable u/s 448 and 449.
- ☐ In the case of a company pursuing objects requiring registration or approval from any sectoral regulators such as the Reserve Bank of India, Securities and Exchange Board of India, etc., the registration or approval, as the case may be from such regulator shall also be obtained and attached with the declaration form 20A.

8. Information required mentioning in e-form 20A (Declaration):

I. CIN, Address and Email ID - Shall be Pre-filled

II. Whether the affairs of the Company is regulated by any sectoral regulator (Select Yes or No)

III. Attachment:

Proof of Subscription of Money

Proof of Sectoral Regulator, if any Required.

9. When form 20A shall be available on MCA Website:

E-form 20A shall be available on MCA website w.e.f. 26th January, 2019

CGST Act, 2017 - Amendments made by CGST (Amendment) Act, 2018 to come into force from 1st February, 2019

Definitions - Major amendments in Section 2 of CGST Act

- In the definition of adjudicating authority, the words Central Board of Excise and Customs have been substituted with Central Board of Indirect Taxes and Customs. [Section 2(4)]
- Term 'adjudicating authority' will not include authority referred to in Section 171(2) – National Anti-profiteering Authority. [Section 2(4)]
- Definition of business vertical omitted. Relevant provisions in CGST Act and Rules amended to provide option to taxpayers for separate registration for each place of business within a State / Union Territory.
- Definition of local authority amended to include a development board constituted under Article 371J of Constitution of India.

Meaning of Supply - Amendment in Section 7

- Clause (d) of Section 7(1) on scope of supply which provided that supply includes the activities to be treated as supply of goods or supply of services as referred to in Schedule II, omitted.
- However, new sub-section (1A) inserted in Section 7 which provides that where certain activities or transactions constitute a supply in accordance with the provisions of sub-section (1), they shall be treated either as supply of goods or supply of services as referred to in Schedule II.

Supplies from unregistered persons – Section 9(4) substituted

- Section 9 has been amended to provide that tax shall be liable to be paid under reverse charge by specified class of persons on supply of specified categories of goods or services received from unregistered persons.
- Earlier, taxpayers were liable to pay tax under reverse charge in case of receipt of supplies from unregistered persons (though this provision has been kept in abeyance).

Composition levy / scheme – Section 10

- Section 10(1) amended to clearly provide that the composition option is with respect to tax payable under Section 9(1).
- Government empowered to increase threshold limit for composition taxpayers to Rs. 1.5 Crores, as per GST Council's recommendation.
- Composition taxpayers shall be allowed to supply services upto a value of 10% of turnover or Rs. 5 lakhs, whichever is higher

Time of supply of goods and services – Amendment in Section 12 and Section 13

- Section 12, inter alia, deals with determining time of supply of goods where invoice is required to be raised as per Section 31(1). Section 13 deals with determining time of supply of services where invoice is required to be issued as per provisions of Section 31(2). After amendment, both Sections 12 and 13 refer to entire Section 31.

Amendment in Section 16 (Input tax credit)

- Section 16 of CGST Act amended to provide for deemed receipt of services by registered person where the services are provided by the supplier to any person on the direction and on account of such registered person.

Credit distribution by ISD – Turnover - Amendment in Section 20

- Definition of turnover for the purpose of distribution of ITC by an input service distributor not to include CST paid on non-GST supplies.

Amendment in Section 22 (Persons liable for registration)

- Threshold limit for registration can be increased to Rs. 20 lakhs from Rs. 10 lakhs on request by special category State and based on recommendations of GST Council.
- Special Category States – meaning amended to exclude Arunachal Pradesh, Assam, Himachal Pradesh, Meghalaya, Sikkim and Uttarakhand.

Input Tax Credit - Amendment in Section 17

Proportionate credit reversal / ITC restrictions

- Value of exempt supply (for proportionate reversal) will not include activities specified in Schedule III, except sale of land & sale of building in respect of which construction has been completed prior to sale.
- Section 17(5)(a) amended to provide ITC in respect of motor vehicles only in certain cases.
- ITC will be available in respect of motor vehicles having approved seating capacity of more than 13 persons.
- For motor vehicles having approved seating capacity upto 13 persons, ITC will be available only when such vehicles are used for:
 1. Further supply of such motor vehicles

2. Transportation of passengers
 3. Imparting training on driving such motor vehicles
- ☐ ITC in respect of vessel and aircraft will not be available except when they are used:
 - (i) for making the following taxable supplies:
 - (a) further supply of such vessels or aircraft
 - (b) transportation of passengers
 - (c) imparting training on navigating such vessels (d) imparting training on flying such aircraft
 - (ii) for transportation of goods.
 - ☐ ITC in respect of general insurance, servicing, repair and maintenance relating to motor vehicles, vessels and aircraft will not be available if credit of motor vehicles is restricted.
 - ☐ ITC, however, will be available if the recipient is engaged in the:
 - (i) manufacture of such motor vehicles, vessels or aircraft; or
 - (ii) supply of general insurance services in respect of such motor vehicles, vessels or aircraft insured by him;
 - ☐ Credit shall not be available in cases of leasing, renting or hiring of motor vehicles, vessels or aircrafts except when they are used for eligible purposes.

Compulsory registration - Section 24 amended

- ☐ Electronic commerce operator shall be mandatorily required to register if he is required to collect tax at source under GST law.

Amendments in Section 25 (Procedure for registration)

- ☐ SEZ developer or SEZ unit shall be required to obtain separate registration distinct from its registration for place of business located outside SEZ.
- ☐ A person having multiple places of business in a State/UT shall be allowed to obtain a separate registration for each such place of business subject to prescribed conditions.
- ☐ Definition of business vertical omitted. Relevant provisions in CGST Act and Rules amended to provide option to taxpayers for separate registration for each place of business within a State /Union Territory.
- ☐ Definition of local authority amended to include a development board constituted under Article 371J of Constitution of India.

Amendment in Section 29 (Cancellation of registration)

- ☐ Provisions included for suspension of registration when cancellation proceedings are pending.

Amendment in Section 34 (Credit / debit notes)

- ☐ Section 34 has been amended to enable issuance of single debit / credit note in respect of multiple invoices issued for supplies made during a financial year.

C&AG audited entities - Amendment in Section 35

- ☐ Audit by Chartered Accountant as per Section 35 not required for department of Central / State Government or local authority whose accounts are subject to audit by C&AG.

Amendment in Section 49 (Credit utilisation – priority rule)

- ☐ Balance of ITC in SGST / UTGST ledger shall be allowed for payment of IGST only when balance of ITC in CGST ledger is not available for payment of IGST.

Insertion of new Section 49A (Credit utilisation)

- ☐ ITC on account of CGST, SGST or UTGST to be first utilised for payment of IGST, CGST, SGST or UTGST only after ITC available on account of IGST has been first utilised fully towards such payment.

Amendment in Section 54 (Refund)

- ☐ Section 54(8)(a) has been amended to provide that tax paid at the time of exports shall be refunded to the applicant in case of exports – reference to zero rated supply effectively omitted and amended to reflect only exports .

Amendment in Section 107 (Pre-deposit before Appellate Authority)

- ☐ Maximum pre-deposit amount in case of appeal before an Appellate Authority capped at Rs. 25 Crores.

Amendment in Section 112 (Pre-deposit before Tribunal)

- ☐ Maximum pre-deposit amount in case of appeal before Appellate Tribunal capped at Rs. 50 Crores.

Amendment in Section 129

- ❑ Time period for payment of tax and penalty by a transporter or owner on seizure of goods increased from 7 to 14 days.

Amendment in Section 143 (Job work)

- ❑ Time period for which goods/capital goods can be retained by job-worker may be extended by Commissioner for one more year in case of inputs and two more years in case of capital goods.

Amendment in Schedule I

- ❑ Entry 4 of Schedule I amended to provide that import of services by any person from a related person or from any of his other establishments outside India, in the course or furtherance of business shall be deemed to be supply even if made without consideration. ['Taxable person' substituted with 'person']

Amendment in Schedule III (Neither supply of goods nor services)

Following new entries inserted in Schedule III:

- ❑ Supply of goods from a place in non-taxable territory to another place in non-taxable territory without such goods entering into India.
- ❑ Supply of warehoused goods to any person before clearance for home consumption.
- ❑ Supply of goods by consignee to any other person, by endorsement of documents of title to the goods, after the goods have been dispatched from the port of origin located outside India but before clearance for home consumption.

Explanation 2 inserted to refer meaning for “warehoused goods” as provided in the Customs Act, 1962.



CGST RULES, 2017-AMENDMENTS MADE BY NOTIFICATION NO. 3/2019-CENTRAL TAX DATED 29-01-2019 (IN FORCE FROM 1ST FEBRUARY, 2019)

Amendments to CGST Rules by Notification No. 3/2019-Central Tax

Registration related changes

Separate registration for each place of business – Rule 11 substituted:

- ❑ Consequent to the amendment in CGST Act, Rule 11 has been substituted to provide for and prescribe the manner of obtaining separate registration for multiple places of business within a State or Union territory by a taxpayer.

Suspension of registration – Insertion of Rule 21A

- ❑ Rule 21A has been inserted to provide for suspension of registration on filing of an application by the registered person for cancellation of registration or action has been initiated by proper officer for suo-motu cancellation of registration.
- ❑ During the period of suspension, no taxable supplies shall be made and no returns under Section 39 shall be required to be furnished.

Input Tax Credit related changes

Insertion of Rule 41A:

- ❑ Rule 41A has been inserted to provide the manner of transferring of input tax credit on obtaining separate registration for multiple places of business within a State or Union territory.
- ❑ FORM GST ITC-02A shall be required to be filed within 30 days of obtaining such separate registration for transferring credit.
- ❑ ITC shall be transferred in the ratio of value of assets held at the time of registration.

Proportionate reversal - Rules 42 & 43 amended:

- ❑ Rules 42 & 43 have been amended to exclude supplies on which CST is paid from value of exempt supplies and total turnover.

Credit notes / debit notes - Insertion of sub-rule (1A) in Rule 53:

- ❑ In Rule 53, sub-rule (1A) has been inserted to provide for details to be mentioned in credit note / debit note. This is consequent to amendment in CGST Act to allow issuance of consolidated credit/debit notes in respect of multiple invoices issued for supplies made in a financial year.

Other changes

GST Practitioners (GSTP):

- ❑ Sub-rule (8) of Rule 83 has been substituted to widen the scope of activities which can be undertaken by GSTP such as generation of e-way bill, furnishing details in Form GST ITC-04, etc.

Changes in GST Forms:

- ❑ A new FORM GST ITC-02A has been prescribed for transferring of ITC on obtaining separate registration for multiple places of business within a State or Union territory.
- ❑ Certain consequential changes have also been made in relevant rules / forms to implement the changes made by the **CGST Amendment Act, 2018**.



AMENDMENTS IN IGST ACT 2017 BY IGST (AMENDMENT) ACT 2018 TO COME INTO FORCE FROM 1ST FEBRUARY, 2019 (AS PER NOTIFICATION NO.1/2019- INTEGRATED TAX)

Amendment in Section 2 of IGST Act – Definitions

In the definition of “export of services”, the condition of receipt of payment in convertible foreign exchange has been relaxed by allowing the receipt in Indian rupees wherever permitted by the Reserve Bank of India. [Section 2(6) of IGST Act]

Supplies from unregistered persons – Section 5(4) substituted:

Section 5 has been amended to provide that tax shall be liable to be paid under reverse charge by specified class of persons on supply of specified categories of goods or services received from unregistered persons.

Earlier, taxpayers were liable to pay tax under reverse charge in case of receipt of supplies from unregistered persons (though this provision has been kept in abeyance).

Amendment in Place of Supply (POS)

In respect of supply of services of transportation of goods, a proviso has been inserted to provide that in case transportation is to a place outside India, the POS shall be the place of destination of such goods. [Section 12(8)]

Second proviso in Section 13(3)(a) has been substituted to include 'any other treatment or process' along with repair. This proviso excludes such services supplied in respect of goods temporarily imported for such purpose and re-exported from POS being reckoned as location where services are actually performed.

Pre deposit amount for appeals

In Section 20, fifth proviso has been inserted to cap the maximum amount of pre-deposit in case of appeal before an Appellate Authority and Appellate Tribunal to Rs.50 crores and Rs.100 crores respectively.



NOTIFICATIONS/CIRCULARS/ORDER

[To be published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (i)]

Government of India

Ministry of Finance , (Department of Revenue)

[Central Board of Indirect Taxes and Customs]

Notification No. 01/2019 – Central Tax (Rate)

New Delhi, the 29th January, 2019

G.S.R. (E).- In exercise of the powers conferred by sub-section (1) of section 11 of the Central Goods and Services Tax Act, 2017 (12 of 2017), the Central Government, on being satisfied that it is necessary in the public interest so to do, on the recommendations of the Council, hereby rescinds the notification of the Government of India in the Ministry of Finance (Department of Revenue) No. 8/2017-Central Tax (Rate), dated the 28th June, 2017, published in the Gazette of India, Extraordinary, vide number G.S.R. 680 (E), dated the 28th June, 2017, except as respects things done or omitted to be done before such rescission.

2. This notification shall come into force with effect from the 1st day of February, 2019.

[F.No.20/06/16/2018-GST (Pt. II)]

(Gunjan Kumar Verma)

Under Secretary to the Government of India

**[TO BE PUBLISHED IN PART II, SECTION 3, SUB-SECTION (i)
OF THE GAZETTE OF INDIA, EXTRAORDINARY]**

GOVERNMENT OF INDIA
MINISTRY OF FINANCE
(Department of Revenue)
[CENTRAL BOARD OF INDIRECT TAXES AND CUSTOMS]
Notification No. 1/2019-Central Tax

New Delhi, the 15th January, 2019

G.S.R. -----(E).- In exercise of the powers conferred by section 147 of the Central Goods and Services Tax Act, 2017 (12 of 2017), the Central Government, on the recommendations of the Council, hereby makes the following amendment in the notification of the Government of India in the Ministry of Finance, Department of Revenue No. 48/2017-Central Tax dated the 18th October, 2017 published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (i) *vide* number G.S.R 1305(E) dated the 18th October, 2017, namely:—

In the said notification,

(i) In the Table, the column number (2) against S. No.1, after the entry, the following proviso shall be inserted, namely: -

“Provided that goods so supplied, when exports have already been made after availing input tax credit on inputs used in manufacture of such exports, shall be used in manufacture and supply of taxable goods (other than nil rated or fully exempted goods) and a certificate to this effect from a chartered accountant is submitted to the jurisdictional commissioner of GST or any other officer authorised by him within 6 months of such supply,;

Provided further that no such certificate shall be required if input tax credit has not been availed on inputs used in manufacture of export goods.”;

(ii) In the Explanation against serial number 1 the words “on pre-import basis” shall be omitted.

[F. No. 20/06/17/2018-GST (Pt. I)]

(Dr. Sreeparvathy S. L.)
Under Secretary to the Government of India

Note:- The principal notification No. 48/2017-Central Tax dated 18th October, 2017 was published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (i) *vide* number G.S.R 1305(E), dated the 18th October, 2018.



[To be published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (i)]

Government of India
Ministry of Finance
(Department of Revenue)
[Central Board of Indirect Taxes and Customs]

Notification No. 02/2019 – Central Tax

New Delhi, the 29th January, 2019

G.S.R(E).— In exercise of the powers conferred by sub-section (2) of section 1 of the Central Goods and Services Tax (Amendment) Act, 2018 (31 of 2018), the Central Government hereby appoints the 1st day of February, 2019, as the date on which the provisions of the Central Goods and Services Tax (Amendment) Act, 2018 (31 of 2018), except clause (b) of section 8, section 17, section 18, clause (a) of section 20, sub-clause (i) of clause (b) and sub-clause (i) of clause (c) of section 28, shall come into force.

[F.No.20/06/16/2018-GST (Pt. II)]

(Gunjan Kumar Verma)
Under Secretary to the Government of India

Order No. 02/2018-Central Tax

New Delhi, the 31st December, 2018

S.O.(E).—WHEREAS, sub-section (4) of section 16 of the Central Goods and Services Tax Act, 2017 (12 of 2017) (hereafter in this Order referred to as the said Act) provides that a registered person shall not be entitled to take input tax credit in respect of any invoice or debit note for supply of goods or services or both after the due date of furnishing of the return under section 39 for the month of September following the end of financial year to which such invoices or invoice relating to such debit note pertains or furnishing of the relevant annual return, whichever is earlier;

AND WHEREAS, sub-section (3) of section 37 of the said Act provides that-

Any registered person, who has furnished the details under sub-section (1) for any tax period and which have remained unmatched under section 42 or section 43, shall, upon discovery of any error or omission therein, rectify such error or omission in such manner as may be prescribed, and shall pay tax and interest, if any, in case there is short payment of tax on account of such error or omission, in return to be furnished for such tax period:

Provided that no rectification of error or omission in respect of the details furnished under sub-section (1) shall be allowed after furnishing of the return under section 39 for the month of September following the end of the financial year to which such details pertain, or furnishing of the relevant annual return, whichever is earlier;

AND WHEREAS, the financial year 2017-18 was the first year of the implementation of the Goods and Services Tax in India and the taxpayers were still in the process of familiarizing themselves with the new taxation system and due to lack of said familiarity-

- (i) the registered persons eligible to avail input tax credit could not claim the same in terms of provisions of section 16 because of missing invoices or debit notes referred to sub-section (4) within the stipulated time;
- (ii) the registered persons could not rectify the error or omission in terms of provisions of sub-section (3) of section 37 within the stipulated time,

as a result whereof certain difficulties have arisen in giving effects to the provisions of sub-section (4) of section 16 and sub-section (3) of section 37;

NOW, THEREFORE, in exercise of the powers conferred by section 172 of the Central Goods and Services Tax Act, 2017, the Central Government, on recommendations of the Council, hereby makes the following Order, to remove the difficulties, namely:—

1. Short title—This Order may be called the Central Goods and Services Tax (Second Removal of Difficulties) Order, 2018.-
2. In sub-section (4) of section 16 of the said Act, the following proviso shall be inserted, namely: -

“Provided that the registered person shall be entitled to take input tax credit after the due date of furnishing of the return under section 39 for the month of September, 2018 till the due date of furnishing of the return under the said section for the month of March, 2019 in respect of any invoice or invoice relating to such debit note for supply of goods or services or both made during the financial year 2017-18, the details of which have been uploaded by the supplier under sub-section (1) of section 37 till the due date for furnishing the details under sub-section (1) of said section for the month of March, 2019.”.
3. In sub-section (3) of section 37 of the said Act, after the existing proviso, the following proviso shall be inserted, namely:

“Provided further that the rectification of error or omission in respect of the details furnished under sub-section (1) shall be allowed after furnishing of the return under section 39 for the month of September, 2018 till the due date for furnishing the details under sub-section (1) for the month of March, 2019 or for the quarter January, 2019 to March, 2019.”.

[F. No. 20/06/16/2018-GST]

(Dr. Sreeparvathy S.L.)
Under Secretary to the Government of India.



सामाजिक न्याय की गतिविधियों का विवरण

स्वच्छ भारत अभियान के तहत महात्मा गांधी अस्पताल में आन्तरिक परिसर व 110 शौचालयों में हाइजेनिक तरीके से साफ-सफाई हेतु कम्पनी द्वारा 40 लाख रुपये वार्षिक खर्च किए जा रहे हैं।

गांवों में शिक्षा विकास हेतु निर्माण कार्य



समोडी स्कूल : शौचालय



सुरास कॉजवे का निर्माण

जल स्वावलम्बन अभियान में सहयोग के लिए भामाशाह सम्मान



कवाडा स्थित एसटीपी (क्षमता 10 एमएलडी)



मक बधिर विद्यालय को आर्थिक सहयोग



Jindal Saw Ltd.

Near Tiranga Hills, Village Pur, Tehsil & District: Bhilwara



शहर हमारा जिम्मेदारी भी हमारी



पर्यावरण संरक्षण -
हमें ही सुनिश्चित करना है।

- पौधारोपण को बढ़ावा दें अथवा अपने घरों आवासीय कॉलनी एवं शहर में पौधारोपण करें।
- कृपया पेड़ ना काटें-अपने शहर को हरा-भरा रखें।
- प्लास्टिक की थैलियों का उपयोग ना करें, इससे वातावरण दूषित होता है।
- आवश्यकता होने पर ही कागज का उपयोग करें।

प्रकृति-प्रगति-उन्नति
हमारा शहर - हमारा गौरव



यह विज्ञापन
हिन्दुस्तान जिंक (वेदान्ता ग्रुप)
द्वारा जनहित में जारी