



WEEKLY NEWS



The latest news and updates



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RERA Updates

RERA implementation in West Bengal in place of WB-HIRA Act

by Maestro Legal | Advocates and Legal Consultants

The Government of West Bengal is moving to implement the Real Estate (Regulation & Development) Act, 2016 in the state. The Chief Justice of Calcutta HC has nominated a senior judge to facilitate the constitution of adjudicatory bodies under the central act. The counsel has informed the Supreme Court about this development while appealing to not entertain a recent application filed by the Forum for People's Collective Efforts (FPCE). The FPCE is a pan-India Homebuyer's body that is aiming to push the implementation of RERA in the state.

RERA implementation in West Bengal in place of WB-HIRA Act (Contd.)

WB-HIRA was regulatory authority overseeing the real estate sector, i.e., to regulate and to promote the housing sector before implementation of RERA. West Bengal Housing Industry Regulation Act, 2017 was challenged on the ground of repugnancy with the Union Law on the subject matter, i.e., the Real Estate Regulation Act, 2016 (RERA) (Forum for People's Collective Efforts vs. the State of West Bengal, 2021). The Apex Court after examining the provisions of RERA and WB-HIRA stated that the provisions were clearly overlapping each other. Therefore the state of west Bengal cannot be allowed to run a parallel regime when a Union Law exists on the same subject matter and declare WB-HIRA unconstitutional. After the Judgement of Supreme Court on this case RERA is implemented in West Bengal.



COMPANY LAWS

by Maestro Legal | Advocates and Legal Consultants



SEBI has vide a Gazette notification dated 4th Feb, 2022 revised the disclosure format for the abridged prospectus

Aim behind this move is simplifying and providing greater clarity and consistency in the disclosures across various documents and provide additional but critical information in the abridged prospectus. Section 2 (1) of the Companies Act, 2013 defines abridged prospectus as a memorandum containing salient features of prospectus as may be specified by the SEBI. The companies act "states" that every application form for the purchase of any securities of a company must be accompanied by an abridged prospectus. The circular shall be applicable for all issues with immediate effect after the date of circular. Further, a copy of the

abridged prospectus must be available on the website of issuer company, lead managers, registrar to an issuers and a link of downloading abridged prospectus must be provided in price band advertisement. Under the revised format, a company will have to disclose the name of the promoter, details of offer to public types of issue, fresh issue and offer for sale components and share reservations details on the front page of the abridged prospectus.

This circular is issued in exercise of power conferred by Section 11 of the Securities & Exchange Board of India Act, 1992 and regulation 299 read with Regulations 34 (1)

and 131 (1) if ICDR Regulations.

This revised format is issued via notification on official website of SEBI dated 4th February, 2022



SEBI directs asset management companies to form Audit Management Committee from August via Gazette notification dated 9th Feb, 2022

SEBI directs AMCs to form this committees which will be responsible for oversight of financial reporting process, audit process and compliance with laws and regulations, among others. The circular will come into effect from 1 August, 2022. The internal auditors shall submit its report to the audit committees of AMC and the board of AMC.

The Audit Committee of AMC:

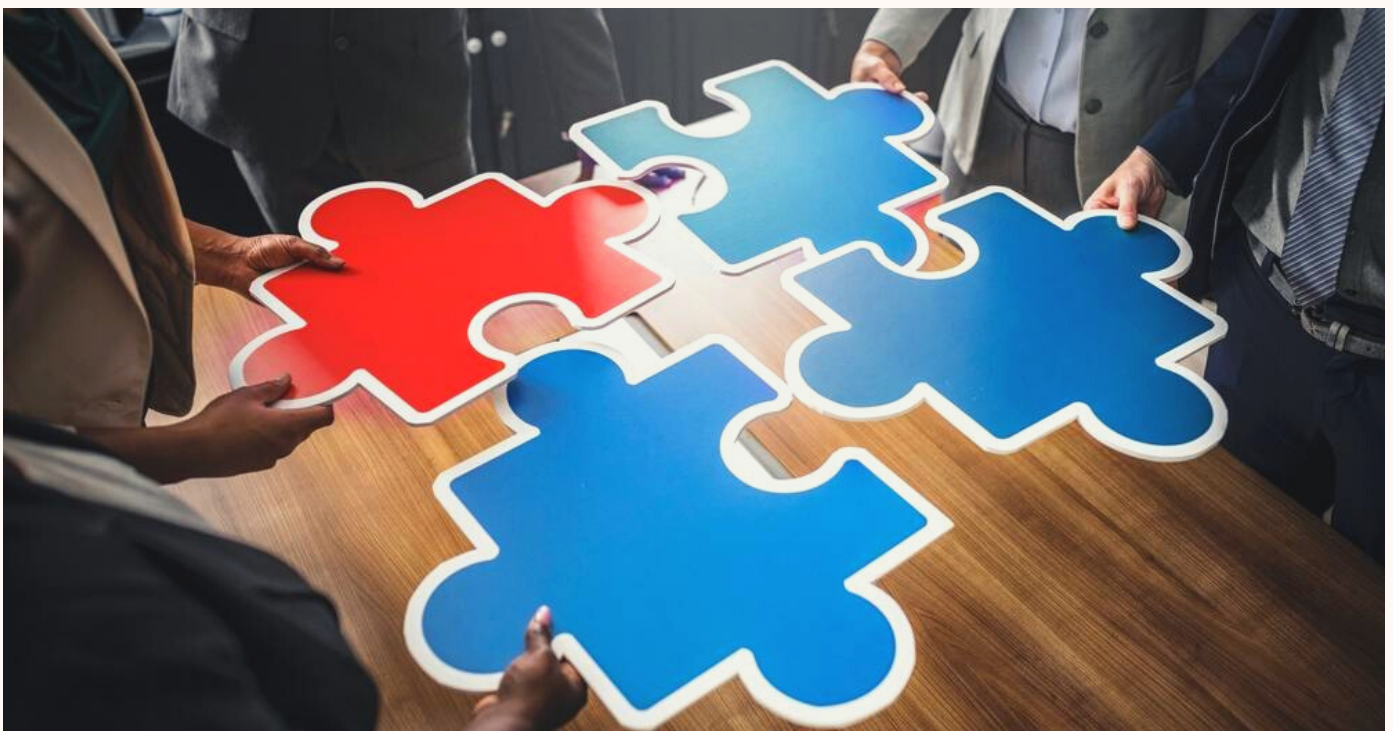
1. It shall have three directors as a members.
2. 2/3 members of this committee shall be independent directors of AMC.
3. The members will be appointed by the board of

directors.

4. The Chairperson of the committee shall be an independent director.

The chairperson of Audit committee shall call the meeting as and when required. At least four meetings shall be called in a financial year and not more than one hundred and twenty days shall elapse between two meetings.

This circular is issued in exercise of powers conferred under Section 11 (1) of the Securities and Exchange Board of India Act, 1992, read with the provision of Regulation 77 of SEBI (mutual funds) Regulation, 1996.



The Union Budget 2022 proposes to accelerate corporate exits by reducing timeline

The Union Budget 2022 was introduced by Finance Minister Nirmala Sitharaman in New Delhi. It proposes to accelerate corporate exits by reducing the timeline to six (6) months from two (2) year earlier. This move is a big relief for the firm seeking voluntary wind-up of business. In Union Budget 2022 it was stated:

“

Several IT-based systems have been established for accelerated registration of new companies. Now the Centre for Processing Accelerated Corporate Exit (C-PACE) with process re-engineering, will be established to facilitate and speed up the voluntary winding-up of these companies from the currently required 2 years to less than 6 months.

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INSOLVENCY LAW

by Maestro Legal | Advocates and Legal Consultants



Budget 2022 proposes a faster resolution and cross-border insolvency

The Finance minister Nirmala Sitharaman proposes amendments in the Insolvency & Bankruptcy Code (IBC) structure to promote cross-border insolvency resolution. This step will pave the way for faster resolution of debt-ridden companies.

In Union Budget 2022 it was stated:

“

Necessary amendments in the Code will be carried out to enhance the efficacy of the resolution process and facilitate cross border insolvency resolution

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