

**MCA  
UPDATES**

**1. The Foreign Contribution (Regulation) Amendment Act, 2020:**

On **October 07, 2020**, Ministry of Home Affairs (MHA) vide Notification No. S.O. 3479(E) notified that foreign contribution shall be received by a person only in an account opened with **State Bank of India, New Delhi Main Branch, 11, Sansad Marg, New Delhi-110001 designated as "FCRA Account"** for the purpose of remittances of foreign contribution.

The Link for aforesaid notification is as mentioned below:

<http://egazette.nic.in/WriteReadData/2020/222285.pdf>

**2. The Companies (Prospectus and Allotment of Securities) Amendment Rules, 2020:**

**On October 16, 2020**, Ministry of Corporate Affairs (MCA) vide Notification No. G.S.R. 642(E) notified, the Companies (Prospectus and Allotment of Securities) Amendment Rules, 2020 and inserted a new proviso as mentioned below after 3<sup>rd</sup> proviso of Rule 14(1) of the Companies (Prospectus and Allotment of Securities) Rules, 2014:

“Provided also that in case of offer or invitation of any securities to qualified institutional buyers, it shall be sufficient if the company passes a previous special resolution only once in a year for all the allotments to such buyers during the year.”.

The link for the aforesaid Notification is mentioned below:

[http://www.mca.gov.in/Ministry/pdf/SecuritiesAmendmentRules\\_16102020.pdf](http://www.mca.gov.in/Ministry/pdf/SecuritiesAmendmentRules_16102020.pdf)

**3. Extension of Relaxation from the mandatory residency requirement of 182 days in a year by at least one Director in every Company under the Companies Act, 2013 and LLP Act 2008:**

On **October 20, 2020**, Ministry of Corporate Affairs (MCA) vide Circular No. 36/2020, extended the relaxation given by it through Circular No. 11/2020 dated March 24, 2020 and clarified that non-compliance of minimum residency in India for a period of at least 182 days in a year, by at least 1 Director in every Company, under Section 149 of the Companies Act, 2013 shall not be treated as non-compliance for the financial year 2020-21 also.

Earlier MCA vide its Circular No. 11/2020 dated March 24, 2020 granted the above mentioned relaxation to the director for F.Y. 2019-20 only.

The link for the aforesaid Circular is mentioned below:

[http://www.mca.gov.in/Ministry/pdf/GeneralCircularNo.36\\_20102020.pdf](http://www.mca.gov.in/Ministry/pdf/GeneralCircularNo.36_20102020.pdf)