

#startupindia

January

Startup Extravaganza

PM Narendra Modi revolutionised India's startup ecosystem by introducing various reforms, including having a single point of registration, tax exemption for 3 years and simplified regulatory regime based on self-certification for start ups.



March

To Build or Not To Build?

The Real Estate (Regulation and Development) Act, 2016, has come into force to regulate property developers & promote efficiency in project execution.

Spring Cleaning of Companies Act

The Companies (Amendment) Bill, 2016 simplifies private placement process, removes restrictions on layers of investment companies, amends CSR provisions, among a host of other changes to the Companies Act 2013.



May

100% Foreign Investment in ARCs

The Centre has allowed 100% FDI in ARCs under the automatic route subject to certain stipulations, including the total shareholding of individual FII/FPIs to be below 10% of the total paid-up capital. Also, FII/FPIs have now been permitted to invest up to 100% of each tranche in security receipts issued by ARCs, subject to RBI directions/guidelines.



July

Amendments to the Companies Act

The Companies (Incorporation) Third Amendment Rules, 2016 brought about by the MCA has changed rules relating to a One Person Company, the alteration and signing of the MOA and AOA. Additionally, Companies (Cost Records and Audit) Amendment Rules has amended the definition of 'cost audit report'.execution



September

Introduction of GST

GST, the biggest reform in India's indirect tax regime since the economy began to be opened up 25 years ago, at last becomes reality as the President of India gave his ascent. The Amendment Bill for GST is a proposed system of indirect taxation in India merging most of the existing taxes into single system of taxation.

Amendments to the Companies (Share Capital And Debentures) Rules, 2016

The MCA amended the category of 'employees' for ESOPs for start-ups for the initial period of 5 years allowing a Promoter or a director who holds more than 10% of the outstanding equity shares of the company are eligible for ESOPs.



November

Currency Demonitization and its effects

GOI demonetized 500 and 1,000 rupee currency notes to crack down the black money market and prevent counterfeiting, waging a war against corruption, the use of drugs, and smuggling.

February



Change in NBFC's Control?

RBI, to ensure 'fit and proper' character of management of NBFCs, now requires NBFCs to seek prior approval to effect any change in control or management of the NBFC.

April



FDI policy in E-Commerce

Ministry of Commerce & Industry has clarified that FDI in B2C e-commerce sector is permitted when: (i) manufacturer sells products manufactured in India; (ii) single brand retail trading entity operates through brick & mortar stores & e-commerce route & (iii) Indian manufacturer sells own single brand products.

June



Relaxation of Deposit Rules

The Companies (Acceptance of Deposits) Rules was amended specifying fresh limits for accepting deposits from members, extending the deadline for obtaining deposit insurance till March 2017 among other changes.

Insolvency Code Amendments

The Insolvency and Bankruptcy Code is a welcome overhaul of the existing framework on insolvency of individuals and entities while focussing on creditor driven insolvency, insolvency resolution process and forming an infrastructure for a new insolvency regulator.

August



Amendments to Maternity Benefit

The Government finally brings about a women-friendly amendment wherein a pregnant woman cannot be terminated citing her pregnancy and will now be entitled 26 weeks of maternity leave instead of 12 weeks. Time period to avail these benefits has been increased to 8 weeks from 6 weeks.

Benami Prohibition Amendment

The Parliament passed the amendment to the Benami Transactions (Prohibition) Act, which has given more power to the authorities to curb benami transactions. The amendment also provides for setting up effective appellate mechanism in the form of an adjudicating authority and appellate tribunal.

October



Investment by a FVCI Regd Under SEBI

FVCI registered under SEBI will not require approval from RBI to invest in instruments issued by an unlisted Indian company engaged in sectors like IT.

December



ESI Limit Increased

The ESI Corporation, with effect from 1st January, 2017, has raised the monthly wage threshold to Rs. 21,000, from the current Rs. 15,000.

Awaiting a reformatory 2017 >>