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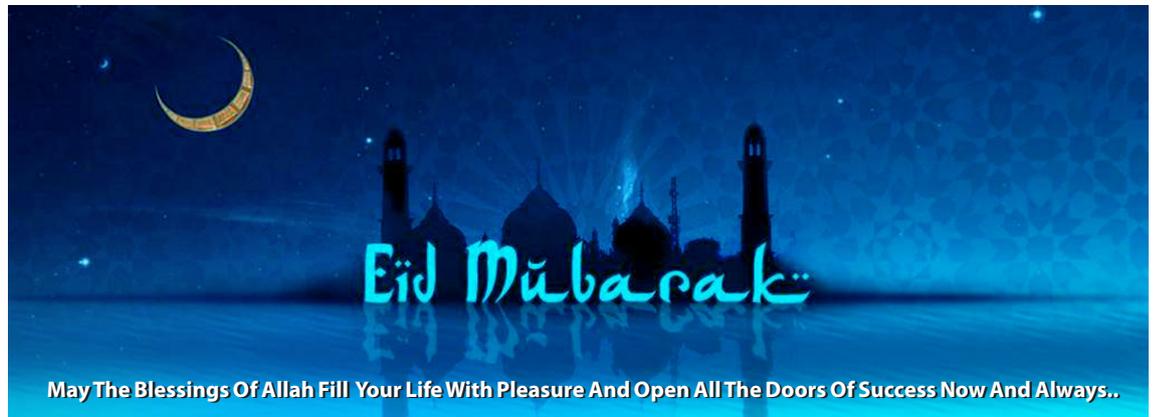
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**THOUGHT
FOR THE MONTH**

**“Kind words
are short
and easy to
speak,
but their
echoes are
truly endless.”**

Saint Teresa of Calcutta



A NEW BILL IN THE PIPELINE TO REPLACE THE MAJOR PORT TRUST ACT, 1963



The Major Port Trust Act passed by the Indian Parliament in 1963, constituted port trusts for major ports in India; many of the provisions of the act and manner of governance are now obsolete and hence the need for change.

In order to make amends, The Major Port Trusts (Amendment) Bill, 2001 was introduced. However, the same never materialized and later lapsed.

The Ministry of Shipping has now introduced a draft bill, The Major Port Authorities Bill 2016, to replace the Major Port Trust Act, 1963.

The implementation of the new Act would lead to the constitution of Major Port Authorities, who would be vested

with administrative, control and management of the major ports in India and would be in charge of its operation, regulation, planning etc.

Some of the salient features of the bill are –

(i) The Major Ports have been notified as “Port Authorities” instead of “Port Trusts”

(ii) Simplicity – the bill has 68 sections as opposed to 134 overlapping sections in the present Act.

(iii) Members - Board member numbers have been reduced from 17 – 19 to 9 members including 3 – 4 independent members.

(iv) Techno savvy - Aspects like disqualification of appointed members, duties, meetings etc can be conducted through video conferencing and Audio Visual mediums.

(v) Landlord Model - A distinction has been made between Port related use and Non-Port related use of land, whereby the Port Authorities can now lease land on long term basis depending on its use.

(vi) Delegation - Port Authorities have been delegated powers for raising loans and issue security for capital. The

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10 Ways to Be Professional at Work

6. Always follow company policies.

Most companies create an employee handbook that outlines the policies and procedures you should follow. Carefully review this manual and make sure you're getting your job done efficiently and to code. Use company policies as your framework for how you perform your job.

7. Get your job done.

The internet makes it easy to get sidetracked and lose sight of your deadlines. But when you're trying to be more professional at work, you need to stay focused on your job and remain productive. Create a task list that you follow every day, and avoid the kinds of distractions that cause you to lose sight of your responsibilities.

8. Carry a notepad with you to write down important info.

As you walk down the hall at work, a manager stops you and asks you to take care of a quick task for him. You agree to it and then get back to your desk. The next morning, the manager informs you that he'll have to work this weekend to complete the task that you completely forgot about. Whether it's a digital notepad or an old-fashioned pen and paper, professionals carry some thing with them to write down important tasks and make sure they get it done.

9. Never be afraid to ask questions.

Professionals are eager to learn new things, but they also want to clearly understand what's expected of them. You need to ask questions and then use the information you get to improve your career.

10. Look forward to each day.

A professional looks forward to the opportunities and challenges that each new day brings. You shouldn't dread going to work every morning—instead, savour the opportunity to learn and grow on a daily basis.

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appointment of consultants, execution of contracts and creation of service posts and do not require Government approval.

(vii) Corporate outlook - Maintenance of books of account and financial statements in accordance with the accounting standards notified under the Companies Act, 2013 or as prescribed by the Central Government has been provided. The concept of internal audit of the functions and activities of the Major Ports has been introduced on the lines of Companies Act, 2015.

(viii) Independence - The Board of the Port Authorities has been delegated the power to fix the scale of rates for service and assets and the regulation to

tariff by TAMP (Tariff Authority for Major Ports) has been removed.

(ix) Dispute resolution - An independent Review Board has been proposed (to carry out the residual function of the erstwhile Tariff Authority for Major Ports (TAMP) and to look into disputes between ports and PPP concessionaries, to review stressed PPP projects and suggest measures to review stressed PPP projects.

(x) Limited interference - Power of Central Govt. to take over the control of the Port Authority is limited to the event of grave emergency or in case of persistent default by Port Authority in performance of their duties.

(xi) Modern ideas - Concepts Corporate Social Responsibility & development of infrastructure by Port Authority have been introduced.

(xii) The status of Port Authority will be deemed as 'local authority' under the provisions of the General Clauses Act, 1887 & other applicable Statutes so that it could prepare appropriate regulations in respect of the area within the port limits to the exclusion of any Central, State or local laws.

Thus the bill is a welcome and necessitated change, which has been long overdue; modernized and more in tune with the Companies Act; the bill is aimed at enabling port authorities to function like a corporate entity and conduct their business independently with a professional approach and without much interference from the Centre or State. Unlike the fate of the earlier lapsed bill of 2001, we hope that the present 2016 Bill culminates into the Major Port Authorities Act.

THE 2015 COMMERCIAL COMPANIES LAW IN UAE – EXISTING COMPANIES TO AMEND ITS MOA/AOA.



The New UAE Commercial Companies Law (Federal Law No. 3 of 2015 on Commercial Companies) came into force on 1st of July 2015. The existing companies have been provided an extension of time till June 2017, to amend their Memorandum of Association (hereinafter referred as "MOA") and Article of Association (hereinafter referred to as "AOA") subject to the new law. Though the existing LLC's and Joint Stock

Companies are aware of the new law in force, a few are still under the impression that the new law has amended the restriction of foreign ownership in the companies. However, it is to be noted that the new law also upholds the same approach towards the foreign ownership in the UAE company, i.e., the foreign ownership is still limited to 49% while a UAE National shall hold 51% of ownership in the company.

Given below is a bird's eye view on the amendments introduced by the new Commercial Companies Law in UAE.

1. Free Zone Companies :

The new Law is not applicable to the free zone companies except in case, if these free zone companies wish to operate in the mainland.

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Hanjin Shipping's Backers Are Willing to Loan the Collapsed Carrier \$90 Million

Hanjin Shipping's government-backed creditors are ready to provide the collapsed carrier with roughly 100 billion won (\$90.60 million) of loans if Hanjin's parent provides collateral, South Korean government officials said on Tuesday.

The funding, however, is seen as falling far short of what the world's seventh-largest container carrier needs after filing for court receivership last week when its creditors, led by Korea Development Bank (KDB), decided to halt support.

"The 100 billion won funding, if it comes to pass, is not nearly enough to save Hanjin Shipping at all – it will most likely be used to pay fees to unload stranded cargo going forward," said an official at a creditor bank, who was not authorized to speak with media and declined to be identified.

Hanjin Shipping shares jumped as much as 28% on Tuesday morning before trimming their gains to be up 20% by 01:55 GMT. They had hit a record low on Monday.

Hanjin's receivership filing has prompted ports around the world to block access or refuse service to dozens of the company's ships on fears they won't be paid, stranding cargo.

Hanjin Group, the parent of Hanjin Shipping, is considering whether to provide collateral to secure the loans, said a spokesman for its flagship unit, Korean Air Lines Co. Shares in Korean Air Lines, the biggest shareholder of Hanjin Shipping, fell as much as 5.7% on Tuesday.

Hanjin Shipping had debt of 5.6 trillion won at the end of 2015. Last month, parent Hanjin Group submitted a plan to creditors pledging to raise up to 500 billion won for the troubled shipper, which KDB deemed inadequate.

-Fortune

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2. Financial year of the Company:

The AOA/MOA of the Company shall mention the financial year of the company. The Financial year of the company shall be determined in such a way that the first financial year shall not exceed 18 months, but at least 6 months, from the date of registration of the company in the commercial register with the competent authority.

The subsequent financial year shall consist of consecutive periods, each of 12 months commencing directly upon the expiry of the preceding financial year.

3. Accounts:

All the Joint Stock Company and/or the LLC Company shall have one or more auditors to audit the accounts of the Company every year.

The Company shall apply the International accounting standards and practices upon preparing its periodical and annual accounts, to give clear and accurate view of the profits and losses of the company.

4. Distribution of Profit and Share:

If the MOA of the Company does not stipulate the proportion of a partner in the profit or loss, his share thereof

shall be equal to his share in the capital. If the MOA is limited to specifying a partner's share in the profits, this share in the losses shall be equivalent to his share in the profits and vice versa.

If it is agreed that, in the MOA that one of the Partner's is to be deprived of the profits or exempted from losses, or to receive a fixed percentage of profits, such MOA shall be deemed void.

5. The Appointment / removal of the Manager:

The new Law stipulates that the Company can have more than one Manager. The Appointment of the Manager can be done from within the Shareholders or from outside the scope of the shareholding structure. If the MOA of the company does not specify the appointment of the manager, the Shareholders shall have the right to appointment the manager with a separate agreement / or the General Assembly has the right to appoint the Manager.

The manager may be removed in two ways namely: (I). by decision of the General Assembly; (II). by an order of the Court upon submitted a legitimate reason for the removal.

The new Act, stipulate that the manager can also submit his resignation to the General Assembly. However, the General Assembly shall, within 30 days of receipt of any such resignation letter, inform the decision for the acceptance or refusal of the resignation. In case, no such decision is reached within 30 days, the resignation shall be deemed accepted.

6. Quorum for Convene and Voting.

Quorum at the General Assembly shall not be void unless one or more partners holding 75% of the capital of the Company are present.

Conclusion:

Even when the Law has come into force, the companies are still not aware of the changes that have to be made in their MOA and AOA and hence, as aforesaid, the Authorities have extended the time frame to carry out the amendments in the documents. If, within this time frame, the companies are still not amending their documents, then the authority shall put fine on the companies, who fail in doing so. Nonetheless, in the extreme case, the companies might have to face dissolution too.

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