

Info Capsule

Tuesday
May 04, 2021

President : CS Nagendra D. Rao

Vice President : CS Devendra V. Deshpande

❖ Latest @ ICSI

Online Training Programme for Empanelment as Peer Reviewer

The ICSI is conducting an Online Training Programme for Empanelment as Peer Reviewer on Saturday, May 08, 2021 from 1:00 pm to 5:15 pm.

For details:

https://www.icsi.edu/media/web_modules/ICSI_Flyer_Peer_Reviewer.pdf



**THE INSTITUTE OF
Company Secretaries of India**
भारतीय कम्पनी सचिव संस्थान
IN PURSUIT OF PROFESSIONAL EXCELLENCE
Statutory body under an Act of Parliament
(Under the jurisdiction of Ministry of Corporate Affairs)

❖ Ministry of Corporate Affairs

- **Relaxation on levy of additional fees in filing of certain Forms under the Companies Act, 2013 and LLP Act, 2008. (May 03, 2021)**

The MCA on account of resurgence of COVID-19 pandemic, has decided to grant additional time upto July 31, 2021 for companies / LLPs to file such forms (other than Form CHG-1, CHG-4 and CHG-9) without any additional fees.

Accordingly, no additional fees shall be levied upto July 31, 2021 for the delayed filing of forms (other than charge related forms referred above) which were/would be due for filing during April 01, 2021 to May 31, 2021. For such delayed filings upto July 31, 2021 only normal fees shall be payable.

For details:

http://www.mca.gov.in/Ministry/pdf/GeneralCircularN06_03052021.pdf

- **Relaxation of time for filing forms related to creation or modification of charges under the Companies Act, 2013 (May 03, 2021)**

On account of the resurgence of COVID-19 pandemic, the MCA has allowed relaxation of time and condone the delay in filing forms related to creation / modification of charges under the Companies Act, 2013.

This Circular shall be applicable in respect of filing of Form No. CHG-1 and CHG-9 by a company or a charge holder.

Relaxation of time:

- (i) **If the date of creation or modification of charge is before April 01, 2021 but the timeline for filing such form had not expired under section 77 of the Companies Act, 2013 as on April 01, 2021:**

The period beginning from April 01, 2021, and ending on May 31, 2021, shall not be reckoned for the purpose of counting the number of days under section 77 or 78 of the Companies Act, 2013.

In case, the form is not filed within such period, the first day after March 31, 2021 shall be reckoned as June 01, 2021 for the purpose of counting the number of days within which the form is required to be filed under section 77 or 78 of the Companies Act, 2013.

(ii) If the date of creation or modification of charge falls on any date between April 01, 2021, to May 31, 2021(both days inclusive):

The period beginning from the date of creation/modification of charge to May 31, 2021, shall not be reckoned for the purpose of counting of number of days under section 77 or 78 of the Companies Act, 2013.

In case, the form is not filed within such period, the first day after the date of creation/modification of charge shall be reckoned as June 01, 2021 for the purpose of counting the number of days within which the form is required to be filed under section 77 or 78 of the Companies Act 2013.

For details:

http://www.mca.gov.in/Ministry/pdf/GeneralCircularNo7_03052021.pdf

- **Gap between two board meetings under section 173 of the Companies Act, 2013-Clarification-reg. (May 03, 2021)**

In view of the difficulties arising due to resurgence of Covid-19 and requests received from stakeholders, MCA has decided that the requirement of holding meetings of the Board of the companies within the intervals provided in section 173 of the Companies Act, 2013 (120 days) shall stand extended by a period of 60 days for first two quarters of Financial Year 2021-22. Accordingly, the gap between two consecutive meetings of the Board may extend to 180 days during the Quarter — April to June 2021 and Quarter— July to September, 2021, instead of 120 days as required in the Companies Act, 2013.

For details: http://www.mca.gov.in/Ministry/pdf/GeneralCircularNo8_03052021.pdf

- **MCA Update (May 03, 2021)**

The Ministry has issued General Circular Number 06/2021 and 07/2021 on May 03, 2021 allowing stakeholders to file various forms due for filing during April 01, 2021 to May 31, 2021 under the Companies Act, 2013 / LLP Act, 2008 by July 31, 2021 without payment of additional fees. The changes required in the MCA-21 system to implement this decision are being made and stakeholders would be informed in this regard in due course through a similar Notice. The stakeholders may, therefore, plan accordingly.

For details: <http://www.mca.gov.in/MinistryV2/homepage.html>

❖ **Securities Laws and Capital Markets**

SEBI Circular

- **SEBI eases timelines for compliance with regulatory requirements by debenture trustees (May 03, 2021)**

After taking into consideration the representations received from Debenture Trustees (DTs) and the challenges arising out of the local restrictions placed by various state governments in the wake of the COVID-19 pandemic, it has been decided to extend the timelines for the certain regulatory requirements for the quarter, half-year and full-year ended March 31, 2021 pertaining to disclosure about monitoring of asset cover certificate.

Under the norms, DTs are required to perform periodical monitoring and disclose various reports, certificates on stock exchanges and on their websites within prescribed timelines. According to this circular, SEBI has given time till July 15 to DTs to make disclosure on their websites about monitoring of asset cover certificate and quarterly compliance report of the listed entity.

For details:

<https://www.livemint.com/mutual-fund/mf-news/sebi-eases-timelines-for-compliance-with-regulatory-requirements-by-debenture-trustees-11620052521534.html>

SEBI Informal Guidance

- **Clarifications on Insider Trading (May 03, 2021)**

The SEBI gives guidance under SEBI (Informal Guidance) Scheme, 2003, in which a Department of SEBI provides an interpretation of a specific provision of any Act, Rules, Regulations, Guidelines, Circulars or other legal provision being administered by SEBI in the context of a proposed transaction in securities or a specific factual situation. The informal guidance may be sought for and given in two forms: No-action letters and Interpretive letters.

In order to enable the users to have an access to all the Informal Guidance sought/given relating to SEBI (Prohibition of Insider Trading) (PIT) Regulations, 2015 at one place, SEBI has consolidated all the informal guidance issued relating to SEBI (PIT) Regulations, 2015 during the period October 14, 2015 to February 08, 2021 at a single place.

For details:

https://www.sebi.gov.in/enforcement/clarifications-on-insider-trading/may-2021/compilation-of-informal-guidance-relating-to-sebi-pit-regulations-2015-for-the-period-oct-2015-mar-2021_50036.html

❖ **Market Watch**

Stock Market Indices as on 04.05.2021

S & P BSE Sensex	48253.51 (-465.01)
Nifty 50	14496.50 (-137.65)

Foreign Exchange Rates as on 03.05.2021

(<https://www.geojit.com/currency-futures/rbi-reference-rate>)

INR / 1 USD	INR / 1 GBP	INR / 1 EUR	INR / 1 JPY
74.07	102.29	89.02	0.68

❖ **Indirect Tax**

Customs

- **Ad hoc Exemption from IGST on imports of specified COVID-19 relief material donated from abroad (May 03, 2021)**

In view of the COVID-19 pandemic, the Central Government has issued notifications exempting Basic Customs Duty and / or Health cess on imports of a number of COVID-19 related relief materials, for a limited period. These include-Remdesivir injection / API and Beta Cyclodextrin (SBEB CD), Inflammatory diagnostic (markers) kits and Medical grade Oxygen, oxygen therapy related equipment such as oxygen concentrators, cryogenic transport tanks, etc., and COVID-19 vaccines. The Central Government has granted exemption from IGST on import of such goods received free of cost for free distribution for covid relief. This exemption shall apply till June 30, 2021.

For details:

<https://www.cbic.gov.in/resources//htdocs-cbec/customs/cs-act/notifications/notfns-2021/cs-tarr2021/AdHoccs04-2021.pdf>

<https://pib.gov.in/PressReleasePage.aspx?PRID=1715314>

❖ **Competition Law**

- **Delhi HC dismisses Facebook, WhatsApp pleas against CCI order to probe privacy policy (April 22, 2021)**

The Delhi High Court dismissed pleas by social media platforms, Facebook and WhatsApp, challenging India's competition regulator CCI's order directing a probe into WhatsApp's new privacy policy.

Justice Navin Chawla said though it would have been "prudent" for the Competition Commission of India (CCI) to await the outcome of petitions in the Supreme Court and the Delhi HC against WhatsApp's new privacy policy, but not doing so would not make the regulator's order "perverse" or "wanting of jurisdiction".

The court said it saw no merit in the petitions of Facebook and WhatsApp to interdict the investigation directed by the CCI.

The Competition Commission had argued before the court that the new privacy policy of WhatsApp would lead to excessive data collection and "stalking" of consumers for targeted advertising to bring in more users and is therefore an alleged abuse of dominant position.

The two social media platforms had contended that when the top court and the Delhi High Court were looking into the privacy policy, then CCI ought not to have "jumped the gun" and intervened in the issue.

WhatsApp and Facebook had challenged the CCI's March 24, 2021 order directing a probe into the new privacy policy. In January, the CCI on its own decided to look into WhatsApp's new privacy policy on the basis of news reports regarding the same.

For details:

<https://telecom.economictimes.indiatimes.com/news/delhi-hc-dismisses-facebook-whatsapp-pleas-against-cci-order-to-probe-privacy-policy/82192846>

❖ **Banking & Insurance**

• **Shri T. Rabi Sankar appointed as RBI Deputy Governor (May 03, 2021)**

In pursuance of the Government of India notification dated May 03, 2021, Shri T. Rabi Sankar took over as the Deputy Governor of Reserve Bank of India on May 03, 2021 for a period of three years or until further orders, whichever is earlier.

For details:

https://rbi.org.in/Scripts/BS_PressReleaseDisplay.aspx?prid=51515

• **Portfolios of Deputy Governors of RBI (May 03, 2021)**

The Reserve Bank of India (RBI) reshuffled its Deputy Governors' portfolios after T Rabi Sankar took over as the new deputy governor of the RBI.

For details:

<https://www.livemint.com/industry/banking/rbi-deputy-governors-portfolios-reshuffled-after-rabi-shankar-s-appointment-11620047511961.html> &

https://rbi.org.in/Scripts/BS_PressReleaseDisplay.aspx?prid=51518

• **Discussion paper on Increasing General Insurance penetration in rural areas with special focus on agriculture and allied activities through the concept of a Model Insured Village (May 03, 2021)**

A discussion paper on "Increasing General Insurance penetration in rural areas with special focus on agriculture and allied activities through the concept of a Model Insured Village" has been issued by the Authority. This paper seeks to advocate and discuss the idea of a village level initiative as a possible solution to increase the penetration of insurance in the rural areas of our country. The Authority welcomes comments of stakeholders on the paper. The views/comments may be sent through e-mail to sagar.bangal@irdai.in with a copy marked to dilip.dange@irdai.in on or before 17th May, 2021.

For details:

https://www.irdai.gov.in/ADMINCMS/cms/whatsNew_Layout.aspx?page=PageNo4469&flag=1

❖ **Terminology for today**

Call risk

The risk that declining interest rates may accelerate the redemption of a callable security, causing an investor's principal to be returned sooner than expected. As a consequence, investors may have to reinvest their principal at a lower rate of interest.

Prepared by Directorate of Academics

For any suggestions, please write to academics@icsi.edu, or call at 01204082116

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"To be a global leader in promoting
good corporate governance"

ICSI Motto
सत्यं वद | धर्मं चर । वृत्तान्ते त्वां नृणां ।
वृत्तान्ते त्वां नृणां । वृत्तान्ते त्वां नृणां ।

MISSION
"To develop high calibre professionals
facilitating good corporate governance"

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