

Info Capsule

Monday
June 07, 2021

President : CS Nagendra D. Rao

Vice President : CS Devendra V. Deshpande

❖ Legal News

Interaction with High Court Chief Justices : Chief Justice of India takes stock of court work during Covid time, discusses digital divide (June 05, 2021)

With courts switching to the virtual mode in the wake of Covid-19, the digital divide is impacting functioning of the judiciary, too, and concrete steps are needed to address this, it was felt at a meeting held between Chief Justice of India N V Ramana and High Court Chief Justices.

In the wake of the second wave of the pandemic, all High Courts have moved from hybrid mode — part-physical, part-virtual — to complete video-conferencing mode, and most courts have rescheduled their summer vacations to minimise the suffering.

The general view that emerged was that the digital divide is impacting functioning of the judiciary, and better connectivity and network in districts, particularly in rural and tribal areas, would go a long way in enhancing efficiency of the subordinate judiciary.

For details:

<https://indianexpress.com/article/india/interaction-with-high-court-cjs-cji-takes-stock-of-court-work-during-covid-time-discusses-digital-divide-7344848>



**THE INSTITUTE OF
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भारतीय कम्पनी सचिव संस्थान

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❖ Securities Laws and Capital Markets

SEBI Circular

• Centralized Database for Corporate Bonds/ Debentures (June 04, 2021)

SEBI streamlined the framework for centralised database for corporate Bonds/Debentures to provide further ease of access of information for investors. Under this, it has provided an updated list of data fields to be maintained in the database along with the manner of filing the same. SEBI has also specified responsibilities of parties involved, contents of the database and manner of submitting the information. SEBI in October 2013 had mandated depositories to jointly create, host and maintain a centralised database of corporate bonds held in demat form. Pursuant to discussions with market participants, it has been decided to further streamline the database and provide further ease of access of information for investors. This new framework will be applicable for debt securities issued on or after August 1, 2021.

For details:

https://www.sebi.gov.in/legal/circulars/jun-2021/centralized-database-for-corporate-bonds-debentures_50421.html

SEBI Adjudication Order

• In the matter of Santowin Corporation Limited (June 04, 2021)

SEBI imposed a total penalty of Rs. 14 lakh on five entities, under the provisions of Section 15A(b) of SEBI Act. It was alleged that the entities failed to adhere to disclosure requirement as mandated under Regulations 13(4) and/or 13(4A) read with Regulation 13(5) of PIT Regulations, 1992 on different occasions.

For details:

<https://www.sebi.gov.in/sebiweb/home/HomeAction.do?doListingAll=yes>

❖ **Banking and Insurance**

- **Resolution Framework - 2.0: Resolution of Covid-19 related stress of Individuals and Small Businesses and Micro, Small and Medium Enterprises (MSMEs) - Revision in the threshold for aggregate exposure (June 4, 2021)**

The Reserve Bank of India has enhanced the limits of below mentioned eligible borrowers who may be considered for resolution under the framework from Rs.25 crore to Rs.50 crore:

- (i) Individuals who have availed of loans and advances for business purposes and to whom the lending institutions have aggregate exposure of not more than Rs.25 crore as on March 31, 2021.
- (ii) Small businesses, including those engaged in retail and wholesale trade, other than those classified as MSME as on March 31, 2021, and to whom the lending institutions have aggregate exposure of not more than Rs.25 crore as on March 31, 2021.
- (iii) MSME accounts- the aggregate exposure, including non-fund based facilities, of all lending institutions to the MSME borrower should not exceed Rs.25 crore as on March 31, 2021.

For details:

<https://www.rbi.org.in/Scripts/NotificationUser.aspx?Id=12104&Mode=0> &

<https://www.rbi.org.in/Scripts/NotificationUser.aspx?Id=12105&Mode=0>

- **Submission of returns under Section 31 of the Banking Regulation Act, 1949 (AACS) - Extension of time (June 4, 2021)**

Reserve Bank hereby extends the period of three months for the furnishing of the returns under Section 31 of the Act for the financial year ended on March 31, 2021, by a further period of three months. Accordingly, all UCBs, State Co-operative Banks and Central Co-operative Banks shall ensure submission of the aforesaid returns to Reserve Bank on or before September 30, 2021. The State Co-operative Banks and Central Co-operative Banks shall also ensure submission of the aforesaid returns to NABARD on or before September 30, 2021.

For details:

<https://www.rbi.org.in/Scripts/NotificationUser.aspx?Id=12107&Mode=0>

- **Master Direction - Reserve Bank of India (Certificate of Deposit) Directions, 2021 (June 4, 2021)**

The draft Directions were released by the Reserve Bank of India for public comments on December 04, 2020. Based on the feedback received from the market participants, the Reserve Bank of India (Certificate of Deposit) Directions, 2021 were reviewed, finalised and issued.

For details:

<https://www.rbi.org.in/Scripts/NotificationUser.aspx?Id=12108&Mode=0>

