

Info Capsule

Tuesday
June 08, 2021

President : CS Nagendra D. Rao

Vice President : CS Devendra V. Deshpande

❖ Latest @ ICSI

Webinar on "GST Input Tax Credit - Game Changer Vaccine for Trade and Industry"

In order to discuss the overall impact of GST Input Tax Credit, the Indirect Taxes Committee of PHD Chamber is organizing a two days Special Webinar on "GST Input Tax Credit – Game Changer Vaccine for Trade and Industry" on Friday, June 11, 2021 and Tuesday, June 15, 2021 from 02:00 pm to 5:00 pm.

Members of the ICSI will be awarded 2 credit hours for each webinar (Unstructured).

For details:

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



**THE INSTITUTE OF
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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

The Companies (Incorporation) Fourth Amendment Rules, 2021 (June 07, 2021)

The MCA vide notification dated June 07, 2021 has further amended the Companies (Incorporation) Rules, 2014, whereby in Rule 38A, the facility of obtaining Shops and Establishment Registration has been included.

Further, changes in Form No.INC-35 have been notified where in place of "AGILE-PRO", the letters "AGILE-PRO-S" has been substituted.

For details:

<https://www.mca.gov.in/bin/dms/getdocument?mds=r2JGVOj52RJgsqksMI8Hqw%253D%253D&type=open>

❖ Legal News

e-Committee of Supreme Court releases Draft Model Rules for Live-Streaming and Recording of Court Proceedings; Comments/inputs sought from stakeholders : Draft Model Rules aims to imbue greater transparency, inclusivity and foster access to justice (June 07, 2021)

The e-Committee, Supreme Court of India has released the Draft Model Rules for Live-Streaming and Recording of Court Proceedings and has invited inputs, feedback and suggestions on it from all the stakeholders. The Draft Model Rules are available on the e-committee website.

The e-Committee of Supreme Court of India along with the Department of Justice, Government of India is working under the National Policy and Action Plan for implementation of Information and Communication Technology (ICT) in the Indian Judiciary.

Suggestions and inputs on the Draft Model Rules for Live-Streaming and Recording of Court Proceedings can be sent in the following email ID: ecommittee@aij.gov.in on or before June 30, 2021.

For details:

<https://www.pib.gov.in/PressReleasePage.aspx?PRID=1725051>

❖ **Securities Laws and Capital Markets**

SEBI Circular

- **Circular on Potential Risk Class Matrix for debt schemes based on Interest Rate Risk and Credit Risk (June 07, 2021)**

Based on the recommendation of the Mutual Fund Advisory Committee (MFAC), it has been decided that all debt schemes also be classified in terms of a Potential Risk Class matrix consisting of parameters based on maximum interest rate risk (measured by Macaulay Duration (MD) of the scheme) and maximum credit risk (measured by Credit Risk Value (CRV) of the scheme). At present, MFs have to follow the only the risk-o-meter labelling system.

Mutual Funds shall publish the matrix in their scheme wise Annual Reports and Abridged Summary. For existing schemes, Mutual Funds shall rebalance their scheme portfolios in line with the applicable matrix by December 1, 2021.

For details:

https://www.sebi.gov.in/web/?file=https://www.sebi.gov.in/sebi_data/attachdocs/jun-2021/1623068571719.pdf#page=1&zoom=page-width,-16,436

SEBI Order

- **In the matter of Rushabh Research (Proprietor: Mr. Nitin Nanalal Dedhia) (June 07, 2021)**

The SEBI directed Rushabh Research and its sole proprietor Shri Nitin Nanalal Dedhia, (Noticees) to refund the money received from the clients/investors/complainant within three months and also restrained from associating with any company whose securities are listed on a recognized stock exchange and any company which intends to raise money from the public, or any intermediary registered with SEBI in any capacity for a period of 2 (two) years. The SEBI found that Noticees were not registered with SEBI in the capacity of Investment Advisor. The activities/ representations made by the Noticees without holding the certificate of registration as investment adviser are in violation of Section 12(1) of SEBI Act, 1992 read with Regulation 3(1) of the SEBI (Investment Advisers) Regulations, 2013.

For details:

https://www.sebi.gov.in/web/?file=https://www.sebi.gov.in/sebi_data/attachdocs/jun-2021/1623073167837.pdf#page=1&zoom=page-width,-15,843

SEBI News

- **SEBI restrains Vivek and Roopa Kudva from accessing securities market for 1 year (June 8, 2021)**

The SEB has restrained the head of Franklin Templeton Asia Pacific (APAC), Vivek Kudva, and his wife Roopa Kudva, MD of Omidyar Network India, from accessing securities market for one year. The regulatory body has directed them to transfer Rs 30.70 crore of redeemed FT units to escrow account within 45 days. "As a result of the irregularities in the running of the debt schemes inspected, loss has been caused to the investors. The noticee was under a statutory obligation to abide by the provisions of the Mutual Regulations and circulars issued thereunder, which it failed to do," the SEBI order stated.

For details:

<https://www.moneycontrol.com/news/business/markets/sebi-restrains-vivek-and-roopa-kudva-from-accessing-securities-market-for-1-year-6998801.html>

- **SEBI bars Franklin Templeton from launching new debt schemes for 2 yrs, fines ₹5 cr (June 07, 2021)**

SEBI has barred Franklin Templeton Asset Management (India) from launching new debt schemes for two years. In an order on Monday, the market watchdog also imposed a ₹5 crore penalty on the asset management company, which is to be paid within 45 days.

The fund house has been ordered to refund the investment management and advisory fees collected from June 4, 2018, till April 23, 2020, with respect to the six wound-up debt schemes along with simple interest at the rate of 12 per annum. The amount, which stands at over ₹512 crore, is to be paid within 21 days from today and will be utilised towards repaying unitholders.

For details:

<https://www.livemint.com/mutual-fund/mf-news/franklin-templeton-faces-2-yr-ban-on-new-debt-schemes-rs-5-cr-fine-11623076324567.html>

❖ **Banking and Insurance**

Transactions in Government securities by Foreign Portfolio Investors : Reporting (June 07, 2021)

Over The Counter (OTC) transactions in Government securities (including State Development Loans and Treasury Bills) undertaken by market participants other than on the Negotiated Dealing System – Order Matching (NDS-OM) platform are required to be reported to the 'NDS-OM' platform for settlement.

Based on the feedback received, it has been decided by the RBI to provide operational flexibility for reporting of such transactions undertaken by the Foreign Portfolio Investors (FPIs) in Government securities, as under.

- FPIs/custodian banks shall report their transactions to the NDS-OM platform within three hours after the close of trading hours for the Government securities market.
- Information about trades undertaken by domestic counterparties with FPIs shall be disseminated by the Clearcorp Dealing Systems (India) Ltd. (CDSL) after one leg of the trade is reported on the NDS-OM platform by the domestic counterparty with a suitable qualifier to indicate that the trade is awaiting counterparty confirmation.
- Domestic market participants, including domestic counterparties to transactions with FPIs, shall continue to report transactions to the NDS-OM platform as per extant practice.

For details:

<https://www.rbi.org.in/Scripts/NotificationUser.aspx?Id=12109&Mode=0>

❖ **Market Watch**

Stock Market Indices as on 08.06.2021

S & P BSE Sensex	52275.57 (-52.94)
Nifty 50	15740.10 (-11.55)

Foreign Exchange Rates as on 07.06.2021

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

INR / 1 USD	INR / 1 EUR	INR / 1 GBP	INR/ 1 JPY
72.70	88.44	102.92	0.66

Prepared by Directorate of Academics

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

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