

Info Capsule

Wednesday
February 10, 2021



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)

President : CS Nagendra D. Rao

Vice President : CS Devendra V. Deshpande

❖ Banking and Insurance

Issuance of digital insurance policies by insurance companies via Digilocker (February 09, 2021)

Digilocker is an initiative under the Digital India program by the Government of India where citizens can get authentic documents/ certificate in digital format from original issuers of these certificates. It aims at eliminating or minimising the use of physical documents and will enhance effectiveness of service delivery, making these hassle free and friendly for the citizens. In order to promote the adoption of Digilocker in the insurance sector, the Authority advises all insurers to enable their IT systems to interact with Digilocker facility to enable policyholders to use digilocker for preserving all their policy documents.

For details:

https://www.irdai.gov.in/ADMIN/CMS/cms/whatsNew_Layout.aspx?page=PageNo4371&flag=1

❖ Ministry of Corporate Affairs

• Press Release: Ministry of Corporate Affairs (February 09, 2021)

Shri Anurag Singh Thakur, Union Minister of State for Finance & Corporate Affairs stated in a written reply to the questions in Rajya Sabha on February 09, 2021 that:

(i) Incorporation of Companies in current fiscal increased 21% as compared to corresponding period in previous fiscal.

The number of companies incorporated from April, 2020 till December, 2020 (COVID-19 period) in the Financial Year 2020-21 (till December 31, 2020) compared to corresponding period from April, 2019 to December, 2019 in the Financial Year 2019-20 (till December 31, 2019) has actually increased by about 21%.

For details:

<https://www.pib.gov.in/PressReleasePage.aspx?PRID=1696539>

(ii) 4,73,131 number of Indian Companies and 1,065 number of Foreign Companies have been benefited by availing the Companies Fresh Start Scheme (CFSS), 2020.

As per records available with the MCA, 4,73,131 number of Indian Companies and 1,065 number of Foreign Companies have been benefited by availing the Companies Fresh Start Scheme (CFSS), 2020 for filing their pending documents.

For details:

<https://www.pib.gov.in/PressReleasePage.aspx?PRID=1696531>

❖ **Securities Laws and Capital Markets**

SEBI Circular

- **Revised disclosure formats under Regulation 7 of SEBI (Prohibition of Insider Trading) Regulations, 2015 (February 09, 2021)**

SEBI has revised the disclosure formats (Forms B to D) which were specified in the SEBI circular dated May 11, 2015 and September 16, 2015 under Regulation 7 of SEBI (Prohibition of Insider Trading) Regulations, 2015 ('PIT Regulations'). In light of amendments to the PIT Regulations effecting the inclusion of member of the promoter group, and designated person in place of employee, the relevant disclosure formats have been suitably revised. Under the new format, details of securities held upon becoming a member of the promoter group of a listed company and immediate relatives of such persons need to be disclosed, besides, any change in shareholding also needs to be disclosed.

For details : https://www.sebi.gov.in/legal/circulars/feb-2021/revised-disclosure-formats-under-regulation-7-of-sebi-prohibition-of-insider-trading-regulations-2015_49068.html

SEBI Orders

- **Adjudication Orders in respect of Ambuja Electro Castings Limited; Ambuja Flour Mills Limited and Blue Heavens Agro Industries Limited on failure to obtain SCORES authentication (February 09, 2021)**

SEBI has imposed a penalty on the following three entities/noticee(s) which had failed to obtain the SCORES authentication and also failed to redress investor grievances.

Name of Entity/Noticee	Penalty imposed (in Rs.)	Imposition of Penalty under
Ambuja Electro Castings Limited	1,00,000	Sections 15C and 15HB of the SEBI Act, 1992
Ambuja Flour Mills Limited	1,00,000	
Blue Heavens Agro Industries Limited	1,00,000	

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

- **Settlement Order in respect of Interglobe Aviation Ltd. (February 09, 2021)**

Interglobe Aviation, parent of India's largest airline Indigo, has settled a case with the SEBI for alleged violation of the provisions of the Regulations 4(1)(c), 4(1)(h), 4(2)(c), 4(2)(f)(iii)(13), 23(2), 23(3)(d), 30(4)(i)(b) of LODR Regulations by paying Rs 2.10 crore as settlement charges towards full and final settlement of all regulatory, civil or criminal proceedings in relation to the facts contained in the SCN without admitting or denying any violation on its part.

For details: https://www.sebi.gov.in/enforcement/orders/feb-2021/settlement-order-in-the-matter-of-integlobe-aviation-limited_49067.html

News

- **Bourses, depositories to sell demat, trading accounts of Karvy Stock Broking (February 09, 2021)**

For the first time in India, stock exchanges and depositories have decided to sell the assets of a stockbroker to settle the dues the broker owed clients. After consulting with Central Depository Services and stock exchanges, National Securities Depository Ltd (NSDL) has invited bids to sell demat and trading accounts of Karvy Stock Broking. Karvy held 7.23 lakh demat accounts with a custody value of a whopping Rs 2.84 lakh crore as on January 31, 2021.

The funds raised from the bidding shall be utilised for settlement of claims of investors of Karvy, after recovering the outstanding dues of market infrastructure institutions (MIIs)," said NSDL

For details: <https://economictimes.indiatimes.com/markets/stocks/news/bourses-depositories-to-sell-demat-trading-accounts-of-karvy-stock-broking/articleshow/80757916.cms>

- **SEBI imposes market ban on entities, individuals for GDR manipulation (February 09, 2021)**

SEBI has barred two entities and five individuals for indulging in fraudulent trading activities with respect to GDR issuance by Soma Textiles & Industries Ltd. Soma Textiles & Industries Ltd. is restrained from accessing the securities market directly or indirectly for a period of 3 years from the date of order issued by SEBI in this regard.

For details: <https://www.livemint.com/news/india/sebi-imposes-market-ban-on-entities-individuals-for-gdr-manipulation-11612872512364.html>

❖ Market Watch

Stock Market Indices as on 10.02.2021	
S & P BSE Sensex	51309.39 (-19.69)
Nifty 50	15106.50 (-2.80)

Foreign Exchange Rates as on 09.02.2021 (https://www.fbil.org.in/#/home)			
INR / 1 USD	INR / 1GBP	INR / 1 EUR	INR/ 1 JPY
72.8883	100.4377	88.0321	.6951

Prepared by Directorate of Academics

For any suggestions, please write to academics@icsi.edu, or call at 01204082269

Disclaimer : Although due care and diligence have been taken in preparation and uploading this info capsule, the Institute shall not be responsible for any loss or damage, resulting from any action taken on the basis of the contents of this info capsule. Anyone wishing to act on the basis of the material contained herein should do so after cross checking with the original source.

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

ICSI Motto
सत्यं वद धर्मं चर। इष्टार्थं तेन वार्थः श्रेयते इत्युक्तेन।

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