

Info Capsule

Monday
January 11, 2021

President : CS Ashish Garg

Vice President : CS Nagendra D. Rao

❖ Latest @ ICSI

21st National Conference of Practising Company Secretaries

The ICSI is organising 21st National Conference of Practising Company Secretaries on January 15-16, 2021 at Inder Residency, Udaipur.

For details:

https://www.icsi.edu/media/webmodules/Block_Your_Diary_Flyer.jpg

https://www.icsi.edu/media/webmodules/ICSI_Labour_law_Brochure_Final4.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)

❖ Securities Laws and Capital Markets

SEBI Regulations

- SEBI has notified the amendments in following Regulations which shall come into force on the date of their publication in the Official Gazette i.e. 08-01-2021:

a) SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2021. (January 08, 2021)

The amendment has added to the events, upon the occurrence of which a listed entity shall make the disclosure to the stock exchange in relation to the Corporate Insolvency Resolution Process (CIRP) of a listed Corporate Debtor under the Insolvency Code.

For details:

https://www.sebi.gov.in/legal/regulations/jan-2021/securities-and-exchange-board-of-india-listing-obligations-and-disclosure-requirements-amendment-regulations-2021_48709.html

b) SEBI (Issue of Capital and Disclosure Requirements) (Amendment) Regulations, 2021 (January 08, 2021)

The amendments inter alia are brought under regulation 112 which specifies, the requirements of minimum promoters' contribution shall not apply in the case where the equity shares of the issuer are frequently traded on a stock exchange for a period of at least 3 years immediately preceding the reference date, and the issuer has redressed at least 95% of the complaints received from the investors till the end of the quarter immediately preceding the month of the reference date. Further, it is provided that the issuer has been in compliance with the SEBI (LODR) Regulations, 2015, for a minimum period of 3 years immediately preceding the reference date.

For details:

https://www.sebi.gov.in/legal/regulations/jan-2021/securities-and-exchange-board-of-india-issue-of-capital-and-disclosure-requirements-amendment-regulations-2021_48704.html

c) SEBI (Alternative Investment Funds) (Amendment) Regulations, 2021 (January 08, 2021)

The amendment has provided the exemption from applicability of clause (i) and (ii) of the first proviso to Regulation 20(6) by inserting a proviso as –

“Provided further that clauses (i) and (ii) shall not apply to an Alternative Investment Fund in which each investor other than the Manager, Sponsor, employees or directors of the Alternative Investment Fund or employees or directors of the Manager, has committed to invest not less than seventy crore rupees (or an equivalent amount in currency other than Indian rupee) and has furnished a waiver to the Alternative Investment Fund in respect of compliance with the said clauses, in the manner specified by the Board.”

Further, SEBI vide circular no. SEBI/HO/IMD/DF6/CIR/P/2021/004 dated January 8, 2021 has provided the format for waiver to be furnished by the investors in this regard at Annexure I to this circular.

For details:

https://www.sebi.gov.in/legal/regulations/jan-2021/securities-and-exchange-board-of-india-alternative-investment-funds-amendment-regulations-2021_48708.html

https://www.sebi.gov.in/legal/circulars/jan-2021/circular-on-amendment-to-regulation-20-6-of-sebi-aif-regulations-2012_48710.html

SEBI Circulars

- **Monthly Reporting of Portfolio Managers (January 08, 2021)**

SEBI had mandated certain changes to the regulatory framework for Portfolio Managers vide circular no. SEBI/HO/IMD/DF1/CIR/P/2020/26 dated February 13, 2020. In terms of para no. D(11) of the said circular, Portfolio Managers are required to submit a monthly report regarding their portfolio management activity, on SEBI Intermediaries Portal within 7 working days of the end of each month, as per a prescribed format. In order to broaden the information obtained under monthly reports, certain modifications are specified in the format enclosed in Annexure A to be applicable for monthly reports submitted for January 2021 onwards.

For details:

https://www.sebi.gov.in/legal/circulars/jan-2021/monthly-reporting-of-portfolio-managers_48705.html

- **Transfer of excess contribution made by Stock Exchanges from Core SGF of one Clearing Corporation to the Core SGF of another Clearing Corporation (January 08, 2021)**

SEBI has allowed transfer of excess contribution made by Stock Exchanges from Core Settlement Guarantee Fund (SGF) of one Clearing Corporation to the Core SGF of another Clearing Corporation in inter-operable scenario as advised by SEBI to Stock Exchanges and Clearing Corporations.

For details:

https://www.sebi.gov.in/legal/circulars/jan-2021/transfer-of-excess-contribution-made-by-stock-exchanges-from-core-sgf-of-one-clearing-corporation-to-the-core-sgf-of-another-clearing-corporation_48698.html

❖ **Banking and Insurance**

• **NPA classification period likely to get 30-day extension as bad loans mount (January 11, 2021)**

The Centre is in talks with the Reserve Bank of India (RBI) and other stakeholders to consider the possibility of easing the norms for non-performing assets (NPAs), or bad loans, by extending the classification period to at least 120 days. At present, a loan account turns into an NPA if it is not serviced for 90 days.

For details:

https://www.business-standard.com/article/finance/npa-classification-period-likely-to-get-30-day-extension-as-bad-loans-mount-121011100018_1.html#:~:text=The%20Centre%20is%20in%20talks,not%20serviced%20for%2090%20days.

• **Life insurance sector's new business premium declines 3% in December (January 10, 2021)**

The new business premium of life insurance industry contracted by 3 per cent year-on-year to Rs 24,383.42 crore in December. The new business or the first-year premium of 24 life insurance companies was Rs 25,079.89 crore in the same month of 2019.

For details:

<https://www.financialexpress.com/money/insurance/life-insurance-sectors-new-business-premium-declines-3-in-december/2168149/>

❖ **Market Watch**

Stock Market Indices as on 11.01.2021

S & P BSE Sensex	49269.32 (+486.81)
Nifty 50	14484.80 (+137.50)

Foreign Exchange Rates as on 08.01.2021

(<https://www.fbil.org.in/#/home>)

INR / 1 USD	INR / 1 GBP	INR / 1 EUR	INR / 1 JPY
73.33	99.34	89.94	.706

❖ **Business and Economics News**

• **Apple and Google Ban Social Media Platform Parler from App Store (January 09, 2021)**

One day after Google banned Parler — the “free speech” social media app favored by Trump supporters — from its app store, Apple followed suit. Later that same night, BuzzFeed reported and CNN confirmed, that Amazon plans to suspend Parler’s account with their web services on Sunday night. Without a web host, the app will go offline until it finds one.

For details:

<https://www.rollingstone.com/culture/culture-news/apple-google-ban-social-media-app-parler-1112276/>

• **Traders' body asks govt. to ban WhatsApp, Facebook over new privacy policy (January 10, 2021)**

Traders' body CAIT on Sunday wrote to Information and Technology Minister Ravi Shankar Prasad demanding that the government restrict WhatsApp from implementing its new privacy policy or impose a ban on the messaging app and its parent company Facebook.

The Confederation of All India Traders (CAIT) claimed that through the new privacy policy, "all kinds of personal data, payment transactions, contacts, location and other vital information of a person who is using WhatsApp will be acquired by it and can be used for any purpose by WhatsApp"

For details:

https://www.business-standard.com/article/economy-policy/traders-body-asks-govt-to-ban-whatsapp-facebook-over-new-privacy-policy-121011000625_1.html

❖ **Terminology for Today**

Key Outcome Indicator (KOI)

Often used in the public sector to describe key performance indicators, those metrics most critical to gauging progress toward objectives. KOIs are metrics that are: tied to an objective; have at least one defined time-sensitive target value; and have explicit thresholds which grade the gap between the actual value and the target.

Prepared by Directorate of Academics

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

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