

Info Capsule

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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

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❖ Latest @ ICSI

Report of First ICSI Samadhan Diwas held on Wednesday, March 10, 2021 (March 16, 2021)

The ICSI has successfully organized First Samadhan Diwas on Wednesday, March 10, 2021. Total no. of 43 students enrolled for participating in the first Samadhan Diwas organised by the Directorate of training, out of which 39 students got instant solutions to their pending issues related to Training.

Samadhan Diwas will be held on every Second Wednesday of every month. The next Samadhan Diwas will be held on April 14, 2021. Pre-registration is mandatory for participating in the Samadhan Diwas.

For details:

https://www.icsi.edu/media/web-modules/Report_of_1st_SamadhanDiwas.pdf

❖ Ministry of Corporate Affairs

324 companies filed for bankruptcy between 2018 to 2020 (March 16, 2021)

Shri Anurag Singh Thakur, Union Minister of State for Finance & Corporate Affairs, in a written reply to a question in Rajya Sabha stated that as per data provided by the National Company Law Tribunal (NCLT), 149 in the year 2018, 103 in the year 2019 and 72 in the year 2020 making a total of 324 companies have filed for bankruptcy during the aforesaid three years period.

As reported, the data provided by the NCLT 8,330 applications in the year 2018, 12,091 in the year 2019 and 5,282 in the year 2020 were filed under the IBC. Therefore, it appears that number of applications have not increased over the last three years.

For details:

<https://pib.gov.in/PressReleasePage.aspx?PRID=1705144>

❖ Business and Economic News

• DPIIT likely to release India's draft e-commerce policy this month (March 17, 2021)

The Department for Promotion of Industry and Internal Trade (DPIIT) is likely to release a new draft of the proposed e-commerce policy by this month.

For details:

https://economictimes.indiatimes.com/industry/services/retail/dpiit-likely-to-release-draft-ecommerce-policy-this-month/articleshow/81537102.cms?utm_source=contentofinterest&utm_medium=text&utm_campaign=cppst

❖ **Securities Laws and Capital Markets**

SEBI Circular

- **Streamlining the process of IPOs with UPI in ASBA and redressal of investor grievances (March 16, 2021)**

SEBI has proposed to streamline the IPO process with Unified Payment Interface (UPI) in Application Supported by Blocked Amount (ASBA) for Retail Individual Investors and redressal of investor grievances. The circular inter-alia provides that the Lead Manager is the nodal entity for any issues arising out of a public issuance process and the timelines, processes and compensation policy should form part of the agreements signed among the intermediaries. Lead Managers should ensure adherence of timelines, processes and compensation policy by intermediaries. Further, Self-Certified Syndicate Banks (SCSBs) should send SMS alerts for mandate block and unblock to ensure timely information to investors. For ease of doing business, sponsor banks should host a web portal for intermediaries from the date of IPO opening till the date of listing.

The provisions of this circular would come into force for IPOs opening on/after May 01, 2021.

For details: https://www.sebi.gov.in/legal/circulars/mar-2021/streamlining-the-process-of-ipos-with-upi-in-asba-and-redressal-of-investors-grievances_49522.html

SEBI Adjudication Orders

- **In respect of 6 entities in the matter of Aroma Enterprises (India) Ltd. (March 16, 2021)**

SEBI imposed a total penalty of Rs. 53 lakh on six entities for failure to make disclosure within the prescribed timeframe under the provisions of regulations 30(2) r/w 30(3) of SAST Regulations, 2011 and 7(1A) of SAST Regulations, 1997. Further, they were failed to make public announcement for the acquisition of shares in the company in four different occasions under the provisions of regulation 11(2) of SAST Regulations, 1997.

For details : https://www.sebi.gov.in/enforcement/orders/mar-2021/adjudication-order-in-respect-of-6-entities-in-the-matter-of-aroma-enterprises-india-ltd_49517.html

- **In respect of Kanchan Kitchen Aid Pvt., Ltd., in the matter of Kanchan International Ltd. (March 16, 2021)**

SEBI imposed a penalty of Rs. 5 lakh on Kanchan Kitchen Aid Pvt. Ltd. for failure to produce the documents as sought by the SEBI Investigating Authority and thereby violated the provisions of Section 11(3) and 11C(3) of SEBI Act for not complying with the summons.

For details : https://www.sebi.gov.in/enforcement/orders/mar-2021/adjudication-order-in-respect-of-kanchan-kitchen-aid-pvt-ltd-in-the-matter-of-kanchan-international-ltd-_49516.html

News

• Cabinet clears Bill on setting up DFI with capital infusion of Rs 20,000 crores

The Cabinet has cleared a Bill to set up a government-owned development finance institution (DFI) with initial paid-up capital of Rs 20,000 crore so that it can leverage around Rs. 3 trillion from the markets in a few years to provide long-term funds to infrastructure projects as well as for development needs of the country.

To put it in perspective, Rs. 3 trillion constitutes slightly less than 3 % of the Rs. 111 trillion to be spent on over 7,000 projects in the National Infrastructure Pipeline from 2019-20 to 2024-25.

Besides, the government will give Rs. 5,000 crore as grant to the institution.

For details:

https://www.business-standard.com/article/economy-policy/cabinet-clears-bill-on-setting-up-dfi-with-capital-infusion-of-rs-20-000-cr-121031600900_1.html

❖ Direct Tax

Income-tax (5th Amendment) Rules, 2021 (Dated March 16, 2021)

The Central Board of Direct Taxes makes the Income-tax (5th Amendment) Rules, 2021 (w.e.f. April 1, 2021).

Rule 29BA has been inserted with respect to “Application for grant of certificate for determination of appropriate proportion of sum (other than Salary), payable to non-resident, chargeable in case of the recipients”.

Form No. 15E has been inserted with respect to “Application by a person for a certificate under section 195(2) and 195(7) of the Income-tax Act, 1961, for determination of appropriate proportion of sum (other than salary) payable to non-resident, chargeable to tax in case of the recipient”.

For details:

<http://egazette.nic.in/WriteReadData/2021/225942.pdf>

❖ Market Watch

Stock Market Indices as on 17.03.2021

S & P BSE Sensex	49801.62 (-562.34)
Nifty 50	14721.30 (-189.15)

Foreign Exchange Rates as on 16.03.2021

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

INR / 1 USD	INR / 1GBP	INR / 1 EUR	INR/ 1 JPY
72.4811	100.5221	86.4844	.664

❖ **Banking and Insurance**

• **Banks put up Rs. 5,140 crore of NPAs for sale in Q4 FY 21 (March 17, 2021)**

Banks have put up Non-Performing Assets (NPAs) worth at least Rs. 5,140 crore for the sale to asset reconstruction companies (ARCs) during the current quarter as resolutions for some large assets failed and stress spilled into the retail segment throughout FY21.

For details:

<https://www.financialexpress.com/industry/banking-finance/banks-put-up-rs-5140-crore-of-npas-for-sale-in-q4fy21/2214143/>

• **Permission for new private banks to participate in govt. business will be based on RBI guidelines (March 16, 2021)**

Finance Minister Nirmala Sitharaman on March 16, 2021 said in Parliament that permission to new private banks for conducting government-related business will be given under the RBI guidelines.

For details:

<https://indianexpress.com/article/business/banking-and-finance/permission-for-new-private-banks-to-participate-in-government-business-will-be-based-on-rbi-guidelines-finance-minister-nirmala-sitharaman-7231024/>

❖ **Terminology for today**

Ethical Congruence

A situation where one's decision is consistent with, aligns with, the applicable set(s) of values. Under these circumstances, a choice to take some action will harmonize with the decision-maker's values. The organizational state where values, behaviors and perceptions are aligned.

Prepared by Directorate of Academics

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

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