

# Info Capsule

Thursday  
March 18, 2021

President : CS Nagendra D. Rao

Vice President : CS Devendra V. Deshpande

## ❖ *Insolvency and Bankruptcy*

### **Year-long IBC suspension to be lifted 'after March 24', hints MCA (March 17, 2021)**

The Ministry for Corporate Affairs has hinted that the suspension of the Insolvency and Bankruptcy Code (IBC) is likely to be revoked after March 24. This has been conveyed in a written submission by the Ministry to the Standing Committee on Finance headed by Jayant Sinha. This submission came along with the note on allocation and utilisation of funds for the Insolvency and Bankruptcy Board of India (IBBI), which is the insolvency regulator.

For details:

<https://www.thehindubusinessline.com/economy/policy/year-long-ibc-suspension-to-be-lifted-after-march-24-hints-mca/article34093755.ece>



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## ❖ *Securities Laws and Capital Markets*

### **SEBI Notifications (March 16, 2021)**

- 1. SEBI (Portfolio Managers) (Amendment) Regulations, 2021**
- 2. SEBI (Investment Advisers) (Second Amendment) Regulations, 2021**
- 3. SEBI (Research Analysts) (Amendment) Regulations, 2021**

SEBI approved amendment to SEBI (Portfolio Managers) Regulations, 2020 (PMS Regulations), SEBI (Investment Advisers) Regulations, 2013 and SEBI (Research Analysts) Regulations, 2014 to recognise the Post Graduate Program in Securities Market of not less than one year offered by National Institute of Securities Markets (NISM) as eligible qualification for Portfolio Managers, Investment Advisers and Research Analysts. SEBI also approved amendment to PMS Regulations with respect to NISM certification requirements and provides that a fresh NISM certification shall be obtained before expiry of the validity of the existing certification to ensure continuity in compliance with the certification requirements.

For details:

<http://egazette.nic.in/WriteReadData/2021/225950.pdf>

<http://egazette.nic.in/WriteReadData/2021/225949.pdf>

<http://egazette.nic.in/WriteReadData/2021/225947.pdf>

## SEBI Adjudication Order

- **In the matter of Prakash Constrowell Ltd. (March 17, 2021)**

SEBI imposed a penalty of Rs. 1 lakh on Mr. T. G. Krishnan for alleged violations of Clause 1 of Schedule A read with Regulation 8(1) of SEBI (Prohibition of Insider Trading) Regulations 2015. It was observed that he has failed in his responsibility to make prompt disclosure of Unpublished Price Sensitive Information (UPSI) to the exchange.

*For details:*

*[https://www.sebi.gov.in/enforcement/orders/mar-2021/adjudication-order-in-respect-of-mr-t-g-krishnan-in-the-matter-of-prakash-constrowell-ltd\\_49529.html](https://www.sebi.gov.in/enforcement/orders/mar-2021/adjudication-order-in-respect-of-mr-t-g-krishnan-in-the-matter-of-prakash-constrowell-ltd_49529.html)*

## SEBI News

- **Six shut schemes of Franklin Templeton Mutual Fund generate ₹15,272 crore (March 17, 2021)**

Franklin Templeton Mutual Fund has said its six shut schemes have received ₹15,272 crore from maturities, coupons and pre-payments since closing down in April 2020. The fund house had shut six debt mutual fund schemes on April 23 last year, citing redemption pressures and lack of liquidity in the bond market.

*For details: <https://www.livemint.com/mutual-fund/mf-news/six-shut-schemes-of-franklin-templeton-mutual-fund-generate-rs15-272-crore-11615962341220.html>*

- **NSE co-location case: ED investigation likely to conclude next month (March 18, 2021)**

The Enforcement Directorate (ED) has expedited the money laundering probe in the National Stock Exchange (NSE) Co-location (Co-lo) case after the government recently sought a detailed report from the federal agency. The report is expected to be finalised within a month. The move comes at a time when the finance ministry is keeping a close watch on the exchange's recent trading glitch — one of its worst outages — that jeopardised the interests of many market participants.

*For details: [https://www.business-standard.com/article/economy-policy/nse-co-location-case-ed-investigation-likely-to-conclude-next-month-121031800051\\_1.html](https://www.business-standard.com/article/economy-policy/nse-co-location-case-ed-investigation-likely-to-conclude-next-month-121031800051_1.html)*

## ❖ Market Watch

Stock Market Indices as on 18.03.2021	
S & P BSE Sensex	49216.52 (-585.1)
Nifty 50	14557.85 (-163.45)

Foreign Exchange Rates as on 17.03.2021 <i>(<a href="https://www.fbil.org.in/#/home">https://www.fbil.org.in/#/home</a>)</i>			
INR / 1 USD	INR / 1 GBP	INR / 1 EUR	INR / 1 JPY
72.5716	100.8673	86.4105	.6652

## ❖ **Indirect Tax**

### **Goods and Services Tax**

- **Supreme Court issues notice on PIL seeking system to track GST paid by Facebook, Amazon, Google, Twitter, others (March 17, 2021)**

The Supreme Court of India issued notice on a PIL seeking directions to the Centre to have a mechanism to track total GST paid on the OIDAR (Online Information and Database Access or Retrieval Services) services used by Non NTOR (Non-Taxable Online Recipient) Indian recipients under reverse charge basis.

*For details:*

<https://www.indialegallive.com/constitutional-law-news/supreme-court-news/gst-facebook-amazon-google-twitter-oidar/>

## ❖ **Banking and Insurance**

- **More banks likely to join RBI's list of 'Systemically Important Banks' (March 18, 2021)**

The Reserve Bank of India's (RBI's) list of "Systemically Important Banks" may widen, given the changes in the pecking order after the merger of state-run players. As on date, only State Bank of India (SBI), ICICI Bank, and HDFC Bank figure in the central bank's classification of Domestic Systemically Important Banks (D-SIBs). "The pecking order (of banks) by asset size has changed after the Centre went in for the merger of four sets of state-run banks.

*For details:*

[https://www.business-standard.com/article/finance/more-banks-likely-to-join-rbi-s-list-of-systemically-important-banks-121031800089\\_1.html#:~:text=As%20on%20date%2C%20only%20State,banks%20\(D%20DSIBs\)](https://www.business-standard.com/article/finance/more-banks-likely-to-join-rbi-s-list-of-systemically-important-banks-121031800089_1.html#:~:text=As%20on%20date%2C%20only%20State,banks%20(D%20DSIBs))

- **Neo bank — the new disruptor on the block (March 17, 2021)**

Neo banks are digital and operate online, and they do not have any physical branches. They are usually mobile-first, leveraging technology to minimise operating costs and offer a customer-friendly interface.

The characteristics of neo-banks include convenience, cost-effectiveness, various banking and financial functionalities under one umbrella, and personalisation.

*For details:*

<https://www.thehindubusinessline.com/opinion/neo-bank-the-new-disruptor-on-the-block/article34093484.ece>

## ❖ **Business and Economics News**

### • **Private sector DFIs may get 5-year tax holiday (March 18, 2021)**

The government will provide a five-year income tax holiday to private sector Development Finance Institutions (DFIs) to build a robust system for funding infrastructure. They will join a state-owned DFI that's being set up. The government will move an amendment to the income tax act to provide for the tax holiday when the Finance Bill is taken up for passage in Parliament, a senior government official told ET.

*For details :*

[https://economictimes.indiatimes.com/news/economy/policy/private-sector-dfis-may-get-5-year-tax-holiday/articleshow/81560133.cms?utm\\_source=contentofinterest&utm\\_medium=text&utm\\_campaign=cppst](https://economictimes.indiatimes.com/news/economy/policy/private-sector-dfis-may-get-5-year-tax-holiday/articleshow/81560133.cms?utm_source=contentofinterest&utm_medium=text&utm_campaign=cppst)

### • **India's Vehicle Recall Policy Levies Up To Rs. 1-Crore Penalty For Defects (March 18, 2021)**

A recall of more than 6 lakh two-wheelers, 1 lakh plus four-wheelers and over 3 lakh three-wheelers and quadricycles will attract a penalty of up to Rs. 1 crore, according to the Central Motor Vehicles (Fifth Amendment) Rules, 2021 notified by the Ministry of Road Transport and Highways. For a recall of 1-6,000 two-wheelers, a manufacturer will have to pay up to Rs. 10 lakh, the policy will come in to effect from April 1, 2021.

*For details:*

<https://www.bloomberqint.com/business/indias-vehicle-recall-policy-levies-up-to-rs-1-crore-penalty-for-defects>

## ❖ **Terminology for today**

### **Inherent probability**

The chance that something might happen if no controls or other mitigating factors were in place (or failed in their entirety).

**Prepared by Directorate of Academics**

*For any suggestions, please write to [academics@icsi.edu](mailto:academics@icsi.edu), or call at 01204082116*

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