

Info Capsule

Tuesday
June 22, 2021

President : CS Nagendra D. Rao

Vice President : CS Devendra V. Deshpande

❖ Ministry of Corporate Affairs

Short Film on SPICe+ (June 18, 2021)

The MCA has launched a short film on Ease of Doing Business: SPICe+ and uploaded the same on its website for the benefit of the stakeholders.

For details:

<https://www.mca.gov.in/content/mca/global/en/about-us/video-gallery.html>



**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)

❖ Latest @ ICSI

Important Decisions taken by the Council of the ICSI at its 277th Meeting held on June 19, 2021 (June 21, 2021)

Several important decisions have been taken by the Council of the ICSI at its 277th Meeting held on June 19, 2021 such as:

- Approved the proposal for acquisition of new premises for Mangaluru Chapter of SIRC of ICSI.
- Approved the Gazette Notification for the election to fill casual vacancy of Eastern India Regional Constituency (EIRC) in the 13th Council of the Institute.
- Waiver in the fees payable at the time of registration in CS Executive Programme (for registrations between April 01, 2021 to March 31, 2022) for the students who lost their parents/legal guardian/adoptive parents due to Covid19 pandemic.
- Exemption from appearing in CS Executive Entrance Test (CSEET) to Graduates (having minimum 50% marks) and Post Graduates from the recognized Universities and enabling them to take direct admission in CS Executive Programme by payment of exemption fees.
- Approval of concept paper on providing knowledge support for courses relating to Skill Development for the students of Universities / Institutions under Academic Connect of ICSI for (a) Full-fledged Certificate Course and (b) Short-term Courses.

For details:

https://www.icsi.edu/media/webmodules/Important_decisions_taken_by_the_Council_taken_in_its_277th_meeting_of_the_Council.pdf

❖ **Securities Laws and Capital Markets**

SEBI NEWS

- **Carlyle's long shadow over its buyout target (June 22, 2021)**

PNB Housing Finance got a go-ahead from the Securities Appellate Tribunal (SAT) for a conclave of shareholders scheduled on Tuesday for a vote on its controversial proposal to allot shares worth some ₹4,000 crore to a clutch of investors led by The Carlyle Group, a US-based private equity major. But India's fourth biggest mortgage lender must not declare results till the Tribunal has its final say. The lender had appealed against an 18 June directive from the Securities and Exchange Board of India (SEBI), which demanded an independent valuation of its equity before it sought a wide shareholder nod for the preferential allotment.

For details:

<https://www.livemint.com/opinion/online-views/carlyles-long-shadow-over-its-buyout-target-11624291983433.html>

- **Govt eases listing norms for companies having over ₹1 lakh cr m-cap (June 21, 2021)**

Companies that have a market capitalisation of more than ₹1 lakh crore at the time of listing can now sell just five per cent of their shares, with the latest amendment in rules, a move that will be beneficial for the government during the proposed initial public offer of LIC. Such entities will be required to increase its public shareholding to 10 per cent in two years and raise the same to at least 25 per cent within five years. The Department of Economic Affairs under the finance ministry has amended the Securities Contracts (Regulation) Rules.

For details:

<https://www.livemint.com/companies/news/govt-eases-listing-norms-for-companies-having-over-rs-1-lakh-cr-mcap-11624297446693.html>

- **SEBI reconstitutes Takeover Panel, appoints Deloitte India's MD N Venkatram as new member (June 20, 2021)**

Markets regulator SEBI has reconstituted its Takeover Panel, which looks into the applications seeking exemption from the mandatory open offer that an acquirer needs to make to minority shareholders. The regulator has appointed N Venkatram MD and CEO, Deloitte India as the new member of the Takeover Panel, latest update with Sebi showed.

For details:

<https://www.moneycontrol.com/news/business/sebi-reconstitutes-takeover-panel-7061871.html>

❖ *Direct Tax*

CBDT issues functionality for Compliance Check for Sections 206AB & 206CCA [Circular No. 11 Dated June 21, 2021]

Section 206AB contains the special provisions for (TDS) deduction of tax at source for non-filers of the income tax return, whereas, section 206CCA provides for special provision for (TCS) collection of tax at source for non-filers of the income tax return. Section 206AB & section 206CCA inserted in the Income-tax Act, 1961 via Finance Act, 2021 will be effective from the 1st day of July, 2021.

According to the interpretation of the new sections, the tax deductor or the tax collector is required to do a due diligence to check whether the deductee or the collectee is a specified person. This is a compliance burden on the part of such tax deductor or the tax collector.

To ease this compliance burden, the CBDT has issued a new functionality called "Compliance Check for Sections 206AB & 206CCA". Through this functionality, tax deductor or the collector can feed the single PAN (PAN search) or multiple PANs (bulk search) of the deductee or collectee and can get a response from the functionality if such deductee or collectee is a specified person or not.

For details:

https://www.incometaxindia.gov.in/communications/circular/circular_11_2021.pdf

❖ *Indirect Tax*

Goods and Services Tax

- **Clarification in respect of applicability of Dynamic Quick Response (QR) Code on B2C invoices - Circular No. 156/12/2021 - GST (June 21, 2021)**

Notification No. 14/2020-Central Tax, dated 21st March 2020 had been issued which requires Dynamic QR Code on B2C invoice issued by taxpayers having aggregate turnover more than 500 crore rupees, w.e.f. 01.12.2020. Further, penalty has been waived for non-compliance for the period from 01st December, 2020 to 30th June, 2021, subject to the condition that the said person complies with the provisions of the said notification from 1st July, 2021. Any person, who has obtained a Unique Identity Number (UIN) as per the provisions of Section 25(9) of CGST Act 2017, is not a "registered person" as per the definition of registered person provided in section 2(94) of the CGST Act 2017. Therefore, any invoice, issued to such person having a UIN, shall be considered as invoice issued for a B2C supply and shall be required to comply with the requirement of Dynamic QR Code.

For details:

<https://www.cbic.gov.in/resources//htdocs-cbec/gst/156-122021%20GST%20Circular.pdf>

❖ **Banking and Insurance**

Windfall gains on bond portfolios aided PSBs report net profits in FY2021 : ICRA (June 21, 2021)

After five consecutive years of posting losses, Public Sector Banks (PSBs) reported net profits in the fiscal 2020-21, supported by windfall gains on their bond portfolio, rating agency ICRA Ratings said in a report. Apart from trading gains, the return to profitability was supported by lower credit provisions on their legacy Non-Performing Assets (NPAs), after the high provisions made during the last few years.

For details:

<https://www.financialexpress.com/industry/banking-finance/windfall-gains-on-bond-portfolios-aided-psbs-report-net-profits-in-fy2021-icra/2275620/>

❖ **Terminology for today**

Dead Cat Bounce

'Dead Cat Bounce' is a market jargon for a situation where a security (read stock) or an index experiences a short-lived burst of upward movement in a largely downward trend. It is a temporary rally in the price of a security or an index after a major correction or downward trend.

❖ **Market Watch**

Stock Market Indices as on 22.06.2021

S & P BSE Sensex	52588.71 (+14.25)
Nifty 50	15772.75 (+26.25)

Foreign Exchange Rates as on 21.06.2021

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

INR / 1 USD	INR / 1 EUR	INR / 1 GBP	INR / 1 JPY
73.95	87.72	102.06	0.67

Prepared by Directorate of Academics

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

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