

Info Capsule

Wednesday
December 23, 2020

President : CS Ashish Garg

Vice President : CS Nagendra D. Rao

❖ Ministry of Corporate Affairs

MCA has notified December 21, 2020 as commencement date for various sections of the Companies (Amendment) Act, 2020

For details:

<http://egazette.nic.in/WriteReadData/2020/223873.pdf>

❖ Ministry of Finance

World Bank, GoI ink pact for \$500 million project to develop Green, Safe Highway Corridors (December 22, 2020)

The World Bank and government of India inked a pact for a \$500 million project to build safe and green national highway corridors, according to the Ministry of Road Transport and Highways (MoRTH). The highway corridors will be developed in Rajasthan, Himachal Pradesh and Andhra Pradesh.

For details:

<https://timesofindia.indiatimes.com/business/india-business/world-bank-goi-ink-pact-for-500-million-project-to-develop-green-safe-highway-corridors/articleshow/79877901.cms>



**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 Circular

- **Master Circular on (i) Scheme of Arrangement by Listed Entities and (ii) Relaxation under Sub-rule (7) of rule 19 of the Securities Contracts (Regulation) Rules, 1957 (December 22, 2020)**

SEBI, from time to time, has been issuing various circulars/directions which lay down the detailed requirements to be complied by listed entities while undertaking schemes of arrangements. In order to enable the users to have access to the applicable circulars at one place, Master Circular in respect of schemes of arrangement has been prepared. This Master Circular is a compilation of relevant and updated circulars issued by SEBI which deal with schemes of arrangement and which are operational as on date of this circular.

For details:

https://www.sebi.gov.in/legal/master-circulars/dec-2020/master-circular-on-i-scheme-of-arrangement-by-listed-entities-and-ii-relaxation-under-sub-rule-7-of-rule-19-of-the-securities-contracts-regulation-rules-1957_48531.html

SEBI Adjudicating Order

- **In the matter of Reliance Capital limited (December 22, 2020)**

SEBI imposed a penalty of Rs. 1 lakh on Reliance Capital Limited (RCL) for violation of the provisions of Regulations 42(2), 42(3), 52 and clause 2 & 4 of the Code of the Conduct specified under Third schedule read with regulation 20AA of SEBI (Depositories and Participants) Regulations, 1996.

For details:

https://www.sebi.gov.in/enforcement/orders/dec-2020/adjudication-order-in-the-matter-of-reliance-capital-limited_48525.html

SEBI News

- **Mutual fund industry in a bind over SEBI's new rules for executing trades (December 22, 2020)**

The SEBI diktat prescribing standards for executing trades might open a Pandora's Box for the mutual fund industry. The regulations, which were notified in late October and lay down a code of conduct, have raised privacy concerns and may lead to longer working hours for fund managers.

For details:

<http://www.journeyline.in/newsdet.aspx?q=209411>

❖ Indirect Tax

Goods and Services Tax

- **Notification to waive late fee filing for GSTR - 4 - Notification No. 93/2020 – Central Tax (December 22, 2020)**

The late fee payable for delay in furnishing of FORM GSTR-4 for the Financial Year 2019-20 under section 47 of CGST Act, from the November 01, 2020 till December 31, 2020 shall stand waived for the registered person whose principal place of business is in the Union Territory of Ladakh.

For details:

<https://www.cbic.gov.in/resources//htdocs-cbec/gst/notfctn-93-central-tax-english-2020.pdf>

- **Notification to make the 14th Amendment Rules 2020 to the CGST Rules, 2017 – Notification No. 94/2020 – Central Tax (December 22, 2020)**

The new Rule restricts the use of ITC for discharging the output tax liability. As per the notification in Rule 36(4), the limit is revised to 5% instead of earlier 10%. The CBIC has inserted Sub-rule 4A under Rule 8 which says that every application made under rule (4) shall be followed by biometric-based Aadhaar authentication and taking photograph or taking biometric information, photograph and verification of such other KYC documents, as notified, unless the applicant is exempted under sub-section (6D) of section 25, if he has opted not to get Aadhaar authentication done. In case if the applicant is an individual or of such individuals in relation to the applicant as notified under sub-section (6C) of section 25 where the applicant is not an individual, along with the verification of the original copy of the documents uploaded with the application in FORM GST REG-01 at one of the Facilitation Centres notified by the Commissioner for the purpose of this sub-rule and the application shall be deemed to be complete only after completion of the process laid down under this sub- rule.

For details:

<https://www.cbic.gov.in/resources//htdocs-cbec/gst/notfctn-94-central-tax-english-2020.pdf>

❖ ***Banking and Insurance***

P&SB recapitalisation: Centre issues Rs. 5,500 crore worth of zero-coupon bonds (December 23, 2020)

The Centre, in a first move of its kind, has issued Rs. 5,500 crore in zero-coupon bonds for recapitalising Punjab and Sind Bank (P&SB) and allowed it to park the paper in its held-to-maturity (HTM) category at face value rather than the discounted market rate. Zero-coupon bonds do not bear any interest and are traded at a discount to the face value.

For details:

https://www.business-standard.com/article/finance/p-sb-recapitalisation-centre-issues-rs-5-500-cr-worth-of-zero-coupon-bonds-120122300050_1.html

❖ ***Corporate Restructuring***

Wipro seals \$700-million IT deal with Metro AG (December 23, 2020)

IT major Wipro said that it will take over the information technology units of Metro AG — Metro-NOM GMBH in Germany and Metro Systems Romania SRL — under which more than 1,300 employees across Germany, Romania and India will be transferred to Wipro. Metro is a leading international wholesale company with food and non-food assortments that specialises on serving the needs of hotels, restaurants and caterers as well as independent traders

For details:

<https://www.financialexpress.com/industry/wipro-seals-700-million-it-deal-with-metro-ag/2155505/>

❖ ***Business News***

Apple targets car production by 2024 and eyes 'next level' battery technology (December 22, 2020)

Apple Inc is moving forward with self-driving car technology and is targeting 2024 to produce a passenger vehicle that could include its own breakthrough battery technology, people familiar with the matter told Reuters.

For details:

<https://indianexpress.com/article/technology/tech-news-technology/apple-car-production-2024-next-level-battery-tech-7114623/>

❖ *Insolvency & Bankruptcy*

Central Government Extends Suspension of Insolvency Proceedings by another 3 Months (December 22, 2020)

In exercise of the powers conferred by section 10A of the Insolvency and Bankruptcy Code, 2016, the Central Government hereby notifies further period of three months from the 25th December, 2020, for the purposes of the said section.

For details:

<https://www.ibbi.gov.in/uploads/legalframework/df55d4f612f270d6c637ee4b3c8131c8.pdf>

❖ *Terminology for Today*

Demutualisation

Demutualisation is a process that changes a mutual or co-operative association into a public company by converting the interests of the members into shareholdings. These holdings can then be traded like the shares of a company. The idea is to change the structure of exchanges that were originally formed as trusts.

❖ *Market Watch*

Stock Market Indices as on 23.12.2020

S & P BSE Sensex	46444.18 (+437.49)
Nifty 50	13601.10 (+134.80)

Foreign Exchange Rates as on 22.12.2020

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

INR / 1 USD	INR / 1 EUR	INR / 1 GBP	INR / 1 JPY
73.8879	90.3097	99.0684	.7145

Prepared by Directorate of Academics

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

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