

Info Capsule

Wednesday
February 24, 2021

President : CS Nagendra D. Rao

Vice President : CS Devendra V. Deshpande

❖ NCLT /NCLAT News

NCLT Benches to resume physical hearing from March 01, 2021 (February 23, 2021)

All NCLT Benches have decided to resume regular physical hearing w.e.f. March 01, 2021. However, some specified benches shall continue to attend the matters through Video Conferencing. In case, if any counsel/ representative of party expresses difficulty in physical hearing, he/ she may be permitted for virtual hearing.

For details:

<https://nclt.gov.in/sites/default/files/January2021/circulars/NCLT-%20Physical%20hearing%20order%20dated%2023.2.2021.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 Circular

● **Pre-Expiry Margin on commodities under Alternate Risk Management Framework (February 23, 2021)**

SEBI has tightened the margin norms for the commodity derivatives market. The move is a fallout of oil prices slipping into negative territory in the futures market last year. SEBI vide this circular has provided that with effect from April 01, 2021 the pre-expiry margins shall be imposed on cash settled contracts wherein the underlying commodity is deemed susceptible to possibility of near zero and/or negative prices as identified by exchange/CC under ARMF circular. In case of these contracts, pre-expiry margins shall be levied during the last five trading days prior to expiry date, wherein they shall increase by 5% every day.

For details:

https://www.sebi.gov.in/legal/circulars/feb-2021/pre-expiry-margin-on-commodities-under-alternate-risk-management-framework_49229.html

SEBI News

● **RIL gets SEBI approval to hive off O2C business into independent subsidiary (February 24, 2021)**

Mukesh Ambani-controlled Reliance Industries Limited (RIL), which has proposed hiving off its oil to chemicals (O2C) business into an independent subsidiary, said it had received an approval from SEBI and stock exchanges to create this subsidiary.

The company now requires the approval of equity shareholders and creditors, regulatory authorities, and the income-tax authority, besides the National Company Law Tribunals (NCLTs) in Mumbai and Ahmedabad. RIL said the approval process had commenced and was expected to be completed by the second quarter of the 2021-22 financial year.

For details:

https://www.business-standard.com/article/companies/ril-gets-sebi-approval-to-hive-off-o2c-business-into-independent-subsi-dary-121022300512_1.html

❖ **Indirect Tax**

Goods and Services Tax

- **Clarification in respect of applicability of Dynamic Quick Response (QR) Code on B2C invoices (Circular No. 146/02/2021, dated February 23, 2021)**

Notification No. 14/2020-Central Tax, dated March 21, 2020 had been issued which requires Dynamic QR Code on B2C invoice issued by taxpayers having aggregate turnover more than Rs. 500 crores, w.e.f. December 01, 2020. This notification is applicable to a tax invoice issued to an unregistered person by a registered person (B2C invoice) whose annual aggregate turnover exceeds Rs. 500 Crores in any of the financial years from 2017-18 onwards. The provisions of the notification shall apply to each supplier/registered person separately, if such person is liable to issue invoices with Dynamic QR Code for B2C supplies as per the said notification.

For details:

https://www.cbic.gov.in/resources//htdocs-cbec/gst/Circular_Refund_146.pdf

❖ **Banking and Insurance**

- **Amazon-ICICI Bank-Axis Bank ready with NUE plan to rival UPI (February 24, 2021)**

Amazon is set to partner ICICI Bank, Axis Bank and Visa to create a national payments network to capitalise on India's fast-growing digital payment ecosystem that is dominated by the National Payments Corporation of India (NPCI).

For details: :

https://economictimes.indiatimes.com/tech/tech-bytes/amazon-icici-bank-axis-bank-ready-with-nue-plan-to-rival-npci-upi/articleshow/81181363.cms?utm_source=contentofinterest&utm_medium=text&utm_campaign=cppst

❖ **Terminology for today**

Universal Banking

When Banks and Financial Institutions are allowed to undertake all types of activities related to banking like acceptance of deposits, granting of advances, investment, issue of credit cards, project finance, venture capital finance, foreign exchange business, insurance etc. it is called Universal Banking.

❖ Business and Economics News

• China FDI proposals for up to 25% equity may get automatic approval (February 24, 2021)

The government is looking at easing restrictions for Chinese foreign direct investment (FDI) by allowing companies from the bordering country to invest up to 25 per cent in a company through automatic route.

This is being discussed only for non-sensitive sectors such as manufacturing, automobile, services and technology.

For details;

https://www.business-standard.com/article/economy-policy/automatic-approval-likely-for-china-fdi-proposals-up-to-25-equity-121022400084_1.html

• Government eyes Rs 6,200 crore in AGR dues from Airtel, Vodafone, Idea by March 31 (February 24, 2021)

Bharti Airtel and Vodafone Idea may have to shell out around Rs 2,600 crore and Rs 3,650 crore, respectively, of their adjusted gross revenues (AGR) before March 31. This is because the Department of Telecommunications (DoT) is of the view that the companies have to pay 10 per cent of the outstanding dues on the day of the Supreme Court judgment on September 1, 2020, when it gave the telecom firms 10 years to pay their AGR dues.

For details:

https://www.business-standard.com/article/companies/govt-eyes-rs-6-200-crore-in-agr-dues-from-airtel-voda-idea-by-march-31-121022400087_1.html

❖ Market Watch

Stock Market Indices as on 24.02.2021

S & P BSE Sensex	50103.04 (+351.63)
Nifty 50	14800.85 (+93.05)

Foreign Exchange Rates as on 23.02.2021

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

INR / 1 USD	INR / 1GBP	INR / 1 EUR	INR/ 1 JPY
72.3707	101.8048	88.052	.6886

Prepared by Directorate of Academics

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

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