

Info Capsule

Thursday
June 24, 2021

President : CS Nagendra D. Rao

Vice President : CS Devendra V. Deshpande

❖ Latest @ICSI

• Extension of UDIN Amnesty Scheme, 2021 till June 30, 2021 (June 23, 2021)

The ICSI in view of the requests of the members to extend the Amnesty Scheme, due to the persisting situations in the country due to COVID-19 and various practical difficulties being faced by the members has decided to extend the UDIN Amnesty Scheme, 2021 till June 30, 2021.

For details:

https://www.icsi.edu/media/webmodules/UDIN_Amnesty_Scheme_extension_230621.pdf

• Extension of ICSI ECSIN Amnesty Scheme, 2021 till June 30, 2021 (June 23, 2021)

The ICSI in view of the unprecedented conditions prevailing in the country due to COVID-19 pandemic has decided to further extend the ICSI ECSIN Amnesty Scheme 2021 till June 30, 2021.

For details:

https://www.icsi.edu/media/webmodules/ECSIN_Amnesty_Scheme_Extension_230621.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)

❖ Ministry of Corporate Affairs

• The Companies (Accounting Standards) Rules, 2021 (June 23, 2021)

The MCA vide notification dated June 23, 2021 has notified the Companies (Accounting Standards) Rules, 2021 for Small and Medium sized companies (SMCs), with which the turnover and borrowing limits has been revised as well as disclosure requirements has been made less onerous for SMCs.

The revised definition of “Small and Medium Sized Company” (SMC) means, a company-

- (i) whose equity or debt securities are not listed or are not in the process of listing on any stock exchange, whether in India or outside India;
- (ii) which is not a bank, financial institution or an insurance company;
- (iii) whose turnover (excluding other income) does not exceed two hundred and fifty crore rupees in the immediately preceding accounting year;
- (iv) which does not have borrowings (including public deposits) in excess of fifty crore rupees at any time during the immediately preceding accounting year; and
- (v) which is not a holding or subsidiary company of a company which is not a small and medium-sized company.

Explanation.- For the purposes of this clause, a company shall qualify as a Small and Medium Sized Company, if the conditions mentioned therein are satisfied as at the end of the relevant accounting period.

For details:

<https://mca.gov.in/bin/dms/getdocument?mds=RKk43Bmg99ksfv0bUGr6XA%253D%253D&type=open>
<https://www.financialexpress.com/industry/govt-notifies-accounting-standards-for-small-medium->

- **Clarification on passing of ordinary and special resolutions by companies under the Companies Act, 2013 read with rules made thereunder on account of COVID-19- Extension of time (June 23, 2021)**

The MCA in view of the continued disruption caused due to COVID-19 pandemic and to provide greater ease of doing business has further allowed the companies to conduct their EGMs through Video-Conferencing or other audio visual means or transact items through postal ballot in accordance with the framework provided earlier upto December 31, 2021.

For details:

<https://www.mca.gov.in/bin/dms/getdocument?mcs=fYGpVQRhK8ssM3lRSs7fsg%253D%253D&type=open>

❖ **Securities Laws and Capital Markets**

SEBI NEWS

- **SEBI cancels Unickon Securities' certificate of registrations (June 23, 2021)**

Markets regulator SEBI on Wednesday cancelled the certificate of registrations of Unickon Securities Pvt Ltd on account of violation of several market norms. The entity is a SEBI-registered stock broker and a depository participant. SEBI had started receiving a large number of investor complaints against the broker during January 2014. The complaints pertained to non-payment of funds and non-delivery of securities to clients.

For details:

<https://www.moneycontrol.com/news/business/sebi-cancels-unickon-securities-certificate-of-registrations-7078831.html>

- **Lenders dispose of assets to recoup money lost to fraud (June 24, 2021)**

Nearly a decade into India's most high profile corporate debt default, banks have recovered nearly 60% of the ₹9,900 crore in dues from fugitive businessman Vijay Mallya. On Wednesday, a State Bank of India-led lenders' consortium sold Mallya's shares worth ₹5,825 crore in United Breweries Ltd (UBL) to Heineken International BV. The banks sold 14.99% in UBL through a block deal on the stock exchanges. The latest share purchase increased Heineken's shareholding to 61.5% in UBL, the owner of India's largest-selling Kingfisher beer brand.

For details:

<https://www.livemint.com/industry/banking/lenders-dispose-of-assets-to-recoup-money-lost-to-fraud-11624473696502.html>

❖ **Banking and Insurance**

• **Gold (Metal) Loans – Repayment (June 23, 2021)**

As per the extant instructions, nominated banks authorized to import gold and designated banks participating in Gold Monetization Scheme, 2015 (GMS) can extend Gold (Metal) Loans (GML) to jewellery exporters or domestic manufacturers of gold jewellery.

It has been decided by the Reserve Bank of India that banks shall provide an option to the borrower to repay a part of the GML in physical gold in lots of one kg or more, provided:

- the GML has been extended out of locally sourced / GMS-linked gold;
- repayment is made using locally sourced IGDS (India Good Delivery Standard)/ LGDS (LBMA's Good Delivery Standards) gold;
- gold is delivered on behalf of the borrower to the bank directly by the refiner or a central agency, acceptable to the bank, without the borrower's involvement;
- the loan agreement contains details of the option to be exercised by the borrower, acceptable standards and manner of delivery of gold for repayment;
- the borrower is apprised upfront, in a transparent manner, of the implications of exercising the option.

For details:

<https://www.rbi.org.in/Scripts/NotificationUser.aspx?Id=12117&Mode=0>

• **ED transfers Rs. 9,371-cr assets seized from Mallya, Nirav, Choksi to PSBs (June 23, 2021)**

The Enforcement Directorate (ED) has transferred a portion of the assets valued at Rs. 8,441 crore it had seized in connection with cases related to the three fugitive economic offenders — Vijay Mallya, Nirav Modi, and Mehul Choksi — to state-run banks. With this, the total transfer of the attached assets stand at Rs. 9,371 crore.

For details:

https://www.business-standard.com/article/current-affairs/assets-worth-rs-18-000-cr-of-mallya-nirav-modi-and-choksi-attached-ed-121062300801_1.html

❖ **Market Watch**

Stock Market Indices as on 24.06.2021

S & P BSE Sensex	52699.00 (+392.92)
Nifty 50	15794.15 (+107.20)

Foreign Exchange Rates as on 23.06.2021

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

INR / 1 USD	INR / 1 EUR	INR / 1 GBP	INR / 1 JPY
74.12	88.30	103.14	0.67

- ***Insolvency and Bankruptcy***

Suraksha group beats NBCC India in close race to buy Jaypee Infratech (June 24, 2021)

The bidding race for Jaypee Infratech ended in a photo finish on Wednesday, with the Suraksha group's resolution plan winning 98.66 per cent of the committee of creditors' (CoC) votes and NBCC India receiving 98.54 per cent of the votes.

Both plans were put up for voting separately, and the tight result is leading to speculation that NBCC may move court again.

For details:

https://www.business-standard.com/article/companies/suraksha-group-beats-nbcc-india-in-close-race-for-jaypee-infratech-121062301561_1.html

❖ ***Terminology for today***

Freemium

"Freemium" content is used to introduce customers to the paid version of a product by offering a simplified version for free. This buzzword is a combination of the words "free" and "premium" and refers to using free content to attract new customers.

Prepared by Directorate of Academics

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VISION
"To be a global leader in promoting
good corporate governance"

ICSI Motto
सत्यं वद। धर्मं चर। इच्छते तेन लोकोः श्रेयते। इयं धर्मोः कृता।

MISSION
"To develop high calibre professionals
facilitating good corporate governance"

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