

Info Capsule

Monday
May 31, 2021

President : CS Nagendra D. Rao

Vice President : CS Devendra V. Deshpande

❖ **Banking and Insurance**

Banks move Supreme Court against RTI disclosure, seek direction to RBI (May 31, 2021)

The Supreme Court will consider in July petitions filed by various banks including SBI and HDFC Bank seeking a direction to the Reserve Bank of India (RBI) to exempt information related to their customers, trade secrets, risk ratings, any unpublished price sensitive information from the Right to Information Act.

For details:

<https://www.financialexpress.com/industry/banking-finance/banks-move-supreme-court-against-rti-disclosure-seek-direction-to-rbi/2261932/>



**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**

List of forms providing waiver of additional fee as per Circular No. 06/2021 and 07/2021 (May 28, 2021)

The MCA has revised the list of forms for which additional fee waiver is made available as per Circular no. 06/2021 and 07/2021 due to COVID-19 pandemic. Further, 17 more new forms to the list has been added, namely:

- **FORM FC-1** : Information to be filed by foreign company
- **FORM FC-2** : Return of alteration in the documents filed for registration by foreign company
- **FORM PAS-3** : Return of allotment
- **FORM MR-1**: Return of appointment of MD/WTD/Manager
- **FORM INC-4** : One Person Company- Change in Member/Nominee
- **FORM INC-6**: One Person Company - Application for Conversion
- **FORM IEPF-5 e Verification Report** : Company e Verification Report
- **FORM INC-20** : Intimation to Registrar of revocation/surrender of license issued under section 8
- **FORM NDH-4** : Application for declaration as Nidhi Company and for updation of status by Nidhis
- **FORM IEPF-4** : Statement of shares transferred to the Investor Education and Protection Fund
- **FORM GNL-3** : Details of persons/directors/ charged/ specified
- **FORM MGT-6** : Persons not holding beneficial interest in shares
- **FORM GNL-2** : Form for submission of documents with the Registrar.
- **FORM ADT-3** : Notice of Resignation by the Auditor
- **FORM DIR-12** : Particulars of appointment of Directors and the key managerial personnel and the changes among them
- **FORM SH-11** : Return in respect of buy-back of securities
- **FORM CRA-4** : Form for filing Cost Audit Report with the Central Government

For details:

<https://www.mca.gov.in/bin/dms/getdocument?mds=hDZggIIF02cA%252FGWtstDmRQ%253D%253D&type=open>

❖ **Securities Laws and Capital Market**

SEBI Adjudication Orders

- **In the matter of Valuemart Retail Solutions Limited (May 28, 2021)**

SEBI imposed a penalty of Rs.1 lakh on an entity for failure to make the requisite disclosures to BSE under Regulation 29 (1) read with Regulation 29 (3) of the SAST Regulations with regard to acquisition of 1,50,000 equity shares/voting rights of the company on December 01, 2016.

For details:

https://www.sebi.gov.in/enforcement/orders/may-2021/adjudication-order-in-respect-of-mr-manish-uppal-in-the-matter-of-valuemart-retail-solutions-limited_50291.html

- **In the matter of GDR issue of K Sera Sera Limited (now known as KSS Limited) (May 28, 2021)**

SEBI imposed a penalty of Rs.1 crore on Dinesh Bhanusali, Director of KSS in a matter pertaining to manipulation in the issuance of Global Depository Receipts (GDRs) and thus violated the provisions of Section 12A(a), (b), (c) of SEBI Act read with Regulations 3(b), (c), (d) and Regulations 4(2)(c), (f), (k) and (r) of PFUTP Regulations. The firm had come up with its GDR issues on two different occasions on March 2007 and May 2009.

For details:

https://www.sebi.gov.in/enforcement/orders/may-2021/adjudication-order-in-respect-of-shri-dinesh-bhanushali-in-the-matter-of-market-manipulation-of-gdr-issue-of-k-sera-sera-limited-now-known-as-kss-limited_50294.html

- **In the matter of Spicejet India Limited (May 28, 2021)**

SEBI disposed of adjudication proceedings against Axis Capital Limited (Noticee), saying that the allegations against Noticee for violations of regulation 45 (5) of the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 1997 and Clause 4 and Clause 20 of the Code of Conduct for merchant bankers provided under schedule III of the SEBI (Merchant Bankers) Regulations, 1992 (MB Regulations) read with regulation 13 of MB Regulations do not stand established.

For details:

https://www.sebi.gov.in/enforcement/orders/may-2021/adjudication-order-in-respect-of-enam-securities-ltd-now-known-as-m-s-axis-capital-limited-in-the-matter-of-spicejet-india-limited_50311.html

SEBI News

- **SEBI asks banks to transfer money available in accounts of PACL's 640 group entities to its a/c (May 28, 2021)**

In a bid to recover investors' money, SEBI has ordered banks to transfer to its account all the money available in the bank accounts of 640 group entities of PACL Ltd by Wednesday. The markets regulator in September 2016 had ordered freezing of bank accounts as well as demat and mutual fund holdings of these entities. In a directive to all banks on Thursday, SEBI has asked them to remit the entire amount available in the banks and fixed deposits accounts of 640 group entities of PACL to the regulator's accounts by June 2.

PACL had raised Rs 49,100 crore from nearly 5 crore investors that it needs to refund along with promised returns, interest payout and other charges, which took the total amount due to over Rs 60,000 crore.

For details:

<https://www.moneycontrol.com/news/business/sebi-asks-banks-to-transfer-money-available-in-accounts-of-pacpls-640-group-entities-to-its-ac-6957741.html>

❖ *Indirect Tax*

Goods and Services Tax

Recommendations of 43rd GST Council Meeting (May 28, 2021)

The GST Council in its 43rd meeting held on May 28, 2021 at New Delhi has made the following recommendations relating to changes in GST rates on supply of goods and services and changes related to GST law and procedure:

- **COVID-19 Relief**

As a COVID-19 relief measure, a number of specified COVID-19 related goods such as medical oxygen, oxygen concentrators and other oxygen storage and transportation equipment, certain diagnostic markers test kits and COVID-19 vaccines, etc., have been recommended for full exemption from IGST, even if imported on payment basis, for donating to the government or on recommendation of state authority to any relief agency. This exemption shall be valid upto August 31, 2021. Further in view of rising Black Fungus cases, the above exemption from IGST has been extended to Amphotericin B.

- **Further relief in individual item of COVID-19 after Group of Ministers (GoM) submits report on June 08, 2021**

As regards individual items, it is decided to constitute a GoM to go into the need for further relief to COVID-19 related individual items immediately. The GoM shall give its report by June 08, 2021.

- **Other Reliefs on Goods**

To support the Lymphatic Filariasis (an endemic) elimination programme being conducted in collaboration with WHO, the GST rate on Diethylcarbamazine (DEC) tablets has been recommended for reduction to 5% (from 12%).

- **Services**

To clarify those services supplied to an educational institution including anganwadi, by way of serving of food including mid-day meals under any midday meals scheme, sponsored by Government is exempt from levy of GST irrespective of funding of such supplies from government grants or corporate donations.

- **Measures for Trade Facilitation**

- Amnesty Scheme to provide relief to taxpayers regarding late fee for pending returns.
- Rationalization of late fee imposed under section 47 of the CGST Act, 2017.
- COVID-19 related relief measures for taxpayers.
- Simplification of Annual Return for Financial Year 2020-21.

- **Other Measures**

GST Council recommended amendments in certain provisions of the Act so as to make the present system of GSTR-1 / 3B return filing as the default return filing system in GST.

For details:

<https://pib.gov.in/PressReleasePage.aspx?PRID=1722578>

❖ Market Watch

Stock Market Indices as on 31.05.2021

S & P BSE Sensex	51937.44 (+514.56)
Nifty 50	15582.80 (+147.15)

Foreign Exchange Rates as on 28.05.2021

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

INR / 1 USD	INR / 1 GBP	INR / 1 EUR	INR / 1 JPY
72.57	102.72	88.49	0.66

Prepared by Directorate of Academics

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

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