

Info Capsule

Thursday
September 02, 2021

President : CS Nagendra D. Rao

Vice President : CS Devendra V. Deshpande

❖ Latest @ ICSI

• **Webinar on Empowering Investors : Prior Registration Mandatory**

The ICSI in association with IEPFA is organising a live webinar on Empowering Investors on Tuesday September 07, 2021 from 11:00 am to 1:00 pm. Members will be awarded 1 CPE Credit (Unstructured).

For details:

https://www.icsi.edu/media/webmodules/Webinar_on_07092021.jpg

• **Notice of the 45th Annual General Meeting (AGM) of CSBF (September 01, 2021)**

The ICSI has issued Notice for the 45th Annual General Meeting of the Members of the Company Secretaries Benevolent Fund scheduled to be held on Friday, September 17, 2021 at 4:00 pm.

For details:

https://www.icsi.edu/media/webmodules/Notice_45th_AGM_CSBF.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**

Revised guidelines for Liquidity Enhancement Scheme in the Equity Cash and Equity Derivatives Segments (September 1, 2021)

The SEBI has modified that liquidity enhancement schemes which provides that the Scheme shall have prior approval of the Governing Board of the Stock Exchange which will be valid for one year. The Governing Board of the Stock Exchange may give yearly approval till the time the scheme is in operation. Further, its implementation and outcome shall be monitored by the Governing Board at quarterly intervals. The Stock Exchange shall introduce liquidity enhancement schemes on any security. Once the scheme is discontinued, the scheme can be re-introduced on the same security. SEBI vide its circular dated April 23, 2014 permitted stock exchanges to introduce liquidity enhancement schemes in the equity cash and equity derivatives segments to enhance liquidity in illiquid securities.

For details: https://www.sebi.gov.in/legal/circulars/sep-2021/revised-guidelines-for-liquidity-enhancement-scheme-in-the-equity-cash-and-equity-derivatives-segments_52305.html

• **SEBI News**

SEBI may dilute certain clauses in controversial MF compensation circular (September 02, 2021)

The SEBI could dilute certain clauses in the controversial compensation circular introduced for the mutual fund (MF) industry that required fund houses to invest a fifth of fund managers' and other senior officials' salaries in their own schemes. Sources said SEBI and industry representatives have got into a huddle to ensure smooth implementation of the new norms ahead of the October 1 deadline. The industry has requested SEBI to make some changes, citing implementation challenges, and expect the regulator to issue a revised circular in coming weeks.

For details: https://www.business-standard.com/article/markets/sebi-may-dilute-certain-clauses-in-controversial-mf-compensation-circular-121090200053_1.html

❖ **Banking and Insurance**

• **RBI to set up five-member panel on NUE licences (September 02, 2021)**

The Reserve Bank of India (RBI) will set up a committee to scrutinise applications and give recommendations on New Umbrella Entity (NUE) licences. NUEs will establish their own payment infrastructure to compete with National Payments Corporation of India (NPCI). The government hopes to build a settlement system similar to the Unified Payments Interface (UPI) with the NUEs. The system will be focussed on small and medium enterprises, merchants and consumers.

For details:

<https://economictimes.indiatimes.com/industry/banking/finance/banking/rbi-to-set-up-panel-on-nue-licences/articleshow/85853196.cms>

• **12 entities express interest in Yes Bank's ARC proposal (September 02, 2021)**

Yes Bank Ltd has received expressions of interest from a dozen investors for setting up an Asset Reconstruction Company (ARC) with the private sector lender as the minority partner. Some of the private equity firms who have shown interest include Brookfield Asset Management, Ares SSG, Oaktree Capital Management, JC Flower, Vardhe Capital, CarVal Investors, Avenue Asia Group, Bain Capital's India Resurgent Fund, Apollo Global Management, Rohatyn Group and Silver Point Capital.

For details:

<https://www.livemint.com/industry/banking/12-entities-express-interest-in-yes-bank-s-arc-proposal-11630521733219.html>

• **UPI transactions cross 3.5 billion in August (September 02, 2021)**

The volume of transactions made through the Unified Payments Interface (UPI) channel stood at 3.55 billion in August, up from 3.24 billion in the previous month. The value of transactions rose to Rs. 6.39 lakh crore from Rs. 6.06 lakh crore in July, the National Payments Corporation of India (NPCI) said on September 01, 2021.

For details:

<https://www.financialexpress.com/industry/banking-finance/upi-transactions-cross-3-5-billion-in-august/2322113/>

❖ ***Terminology for today***

Balloon mortgage

Balloon mortgages are just for short term and it has a fixed rate mortgage. In balloon mortgage, a monthly payment is lower because of large payment at the end of a term. A balloon payment is for honest and qualified borrowers who have a good credit history.

❖ ***Business and Economic News***

• **Economic recovery to need both fiscal, monetary policy support: Experts (September 01, 2021)**

Data released by the National Statistical Office (NSO) showed that the Indian economy grew by a record 20.1 per cent in the April-June quarter, helped by a very weak base of last year and a sharp rebound in the manufacturing and services sectors in spite of a devastating second wave of COVID-19 cases.

For details:

<https://www.moneycontrol.com/news/business/economy/economic-recovery-to-need-both-fiscal-monetary-policy-support-experts-7414041.html>

❖ ***Insolvency & Bankruptcy***

• **NCLT orders attachment of Venugopal Dhoot's properties with immediate effect (September 02, 2021)**

The Mumbai bench of the National Company Law Tribunal (NCLT) today issued directions for attachment of assets belonging to Videocon Industries promoter Venugopal Dhoot in response to the Ministry of Corporate Affairs' petition against the company under the Companies Act, 2013. The tribunal has ordered the concerned authorities to freeze movable and immovable properties, bank accounts, and Demat accounts, among others belonging to Dhoot.

The tribunal has also issued directions to the Central Board of Direct Taxes (CBDT) and the Indian Banking Association to identify such assets and properties belonging to the beleaguered promoter of the Videocon Industries, which has been under corporate insolvency resolution process for more than three years now.

For details:

<https://www.businesstoday.in/top-story/story/nclt-orders-attachment-of-venugopal-dhoots-properties-with-immediate-effect-305604-2021-08-31>

- **Why controlling CoC conduct could be a challenging task for IBBI**

Experts say such a code could lead to litigation, which may affect the decision-making ability of the committee. While the Insolvency and Bankruptcy Board of India (IBBI) has proposed a code of conduct for the committee of creditors (CoC), industry experts feel the move is not required since most entities under CoC are well regulated already. Such a code could lead to litigation which may affect the decision-making ability of the committee, experts have cautioned.

For details:

https://www.business-standard.com/article/economy-policy/why-controlling-coc-conduct-could-be-a-challenging-task-for-ibbi-121090101104_1.html

❖ Market Watch

Stock Market Indices as on 02.09.2021	
S & P BSE Sensex	57852.54 (+514.33)
Nifty 50	17234.15 (+157.9)

Foreign Exchange Rates as on 01.09.2021 (https://www.geojit.com/currency-futures/rbi-reference-rate)			
INR / 1 USD	INR / 1 EUR	INR / 1 GBP	INR / 1 JPY
72.96	86.20	100.44	0.66

Prepared by Directorate of Academics

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

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

ICSI Motto
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वृत्तकं कृतं त्रुत्तकं श्लेषकं कृतं कृतं

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