

Info Capsule

Thursday
September 03, 2020

President : CS Ashish Garg

Vice President : CS Nagendra D. Rao

❖ Latest @ ICSI

- The ICSI has published its Progress Report for the period January to July, 2020
https://www.icsi.edu/media/webmodules/090120_Progressreport_5th_S_A.pdf
- **Webinar on VC & OAVM Meetings : Law, Technology and People**
ICSI is conducting a webinar on VC & OAVM Meetings: Law, Technology and People on September 04, 2020 from 3:00 P.M. onwards. Members can raise queries in advance at :
<https://forms.gle/xkKkePmsN79rWqt7>

❖ Ministry of Finance

Better Performance of CPSEs will help Economy Revive : Sitharaman

Finance Minister Nirmala Sitharaman called upon the Central Public Sector Enterprises (CPSEs) to improve their performance, as this would eventually help the Indian economy recover from the slowdown induced by the coronavirus pandemic.

<https://auto.economictimes.indiatimes.com/news/industry/better-performance-of-cpses-will-help-economy-revive-sitharaman/77556919>



**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 Market**

SEBI Circulars

- **Disclosures on Margin obligations given by way of Pledge/ Re-pledge in the Depository System (September 02, 2020)**
Regulation 29 (4) of the Takeover Regulations provides that for the purposes of disclosure under regulation 29 (1) and (2), shares taken by way of encumbrance shall be treated as an acquisition, shares given upon release of encumbrance shall be treated as a disposal, and disclosures shall be made by such person accordingly in such form as may be specified. For ease of doing business, SEBI has provided that disclosures specified under Regulation 29(4) of Takeover Regulations, in relation to shares encumbered with TM /CM as collateral from clients for margin obligation in the ordinary course of stock broking business are dispensed with.
https://www.sebi.gov.in/legal/circulars/sep-2020/disclosures-on-margin-obligations-given-by-way-of-pledge-re-pledge-in-the-depository-system_47476.html
- **Review of provision regarding segregation of portfolio due to the COVID - 19 pandemic (September 02, 2020)**
SEBI has reviewed the provision regarding segregation of portfolio due to the COVID - 19 pandemic in partial modification to SEBI circular No. SEBI/HO/IMD/DF2/CIR/P/2018/160 dated December 28, 2018. SEBI, under the modification, provided that till December 31, 2020, the date of proposal for restructuring of debt received by AMCs shall be treated as the trigger date for the purpose of creation of segregated portfolio. Such proposal of restructuring of debt received by AMCs shall be immediately reported to the Valuation Agencies, Credit Rating Agencies, Debenture Trustees and AMFI. AMFI, on receipt of such information, shall immediately disseminate it to its members.
https://www.sebi.gov.in/legal/circulars/sep-2020/review-of-provision-regarding-segregation-of-portfolio-due-to-the-covid-19-pandemic_47477.html

SEBI Exemption Order (September 02, 2020)

SEBI granted exemption to the Proposed Acquirer, viz. Babasaheb Kalyani Family Trust, on certain conditions from complying with the requirements of Regulations 4 and 5 of the Takeover Regulations with respect to the proposed acquisitions in the Target Companies by way of the proposed transactions. The ground for seeking exemptions includes that it is a non-commercial transaction and therefore, it will not affect or prejudice the interests of the public shareholders of the Target companies in any manner and there will be no reduction in the holding of the public shareholders in the Target companies.

https://www.sebi.gov.in/enforcement/orders/sep-2020/exemption-order-under-regulation-11-of-sebi-sast-regulations-2011-in-the-matter-of-bharat-forge-ltd-and-6-other-companies_47471.html

SEBI Order (September 02, 2020)

SEBI warns the Accurate Securities and Registry Private Limited (Category 1 RTA) to be careful and cautious as regards the conduct of its business and to adhere to and comply with all the applicable statutory provisions while carrying out its activities in the securities market. It was alleged that the RTA inadvertently submitted its Half Yearly Report for the Half Year ended March 2016 to SEBI via courier instead of being emailed as prescribed under the SEBI circular.

https://www.sebi.gov.in/enforcement/orders/sep-2020/order-in-the-matter-of-accurate-securities-and-registry-pvt-ltd_47478.html

❖ **Direct Tax**

The Income Tax Department has carried out simultaneous search and seizure operations on September 2, 2020 in the case of three prominent businessmen in Srinagar and Kupwara. These operations have, *prima facie*, led to the detection of huge amount of undisclosed income, seizure of unaccounted assets and incriminating evidence and involvement in benami transactions by these three groups.

<https://pib.nic.in/PressReleaseDetailm.aspx?PRID=1650758>

❖ **Indirect Tax****Goods and Services Tax – Compliance for the month of September, 2020**

S. No.	Return	Description	Month(s) Period	Revised Due Date
1.	GSTR - 1 (Monthly)	Details of outward supplies (Aggregate Turnover greater than 1.5 Crores and up to 5 Crores)	August, 2020	11 th September, 2020
2.	GSTR - 3B*	Self-declaration form Aggregate Turnover > 5 Crore in preceding F.Y.	August, 2020	20 th September, 2020
		Group A States: Aggregate Turnover < 5 Crore in preceding F.Y.	May, 2020	12 th September, 2020
			June, 2020	23 rd September, 2020
			July, 2020	27 th September, 2020
		Group B States: Aggregate Turnover < 5 Crore in preceding F.Y.	May, 2020	15 th September, 2020
			June, 2020	25 th September, 2020
			July, 2020	29 th September, 2020
3.	GSTR - 5	Details of outward taxable supplies and tax payable by Non Resident Taxable person (monthly)	August, 2020	20 th September, 2020
4.	GSTR - 5A	Details of outward taxable supplies and tax payable by OIDAR (monthly)	August, 2020	20 th September, 2020
5.	GSTR - 6	Input Service Distributor	August, 2020	13 th September, 2020
6.	GSTR - 7	Details of TDS deducted, amount of TDS paid and payable and any refund of TDS claimed	August, 2020	10 th September, 2020
7.	GSTR - 8	Details of tax collected at source	August, 2020	10 th September, 2020
8.	GSTR - 9	Annual Return	For F.Y. 18-19	30 th September, 2020
9.	GSTR - 9C	Reconciliation Statement	For F.Y. 18-19	30 th September, 2020

***GSTR – 3B :** Period July 2017 to July 2020 - Late fees has been reduced to maximum of Rs. 500 for Nil Returns, if the returns are filed till September 30, 2020.

Group A States : Chhattisgarh, Madhya Pradesh, Gujarat, Maharashtra, Karnataka, Goa, Kerala, Tamil Nadu, Telangana, Andhra Pradesh, Daman & Diu and Dadra & Nagar Haveli, Puducherry, Andaman and Nicobar Islands, Lakshadweep.

Group B States : Himachal Pradesh, Punjab, Uttarakhand, Haryana, Rajasthan, Uttar Pradesh, Bihar, Sikkim, Arunachal Pradesh, Nagaland, Manipur, Mizoram, Tripura, Meghalaya, Assam, West Bengal, Jharkhand, Odisha, Jammu and Kashmir, Ladakh, Chandigarh, Delhi.

❖ **Market Watch**

Capital Market		Reference Rate			
S & P BSE Sensex	39022.71 (-63.32)	INR / 1 USD	INR / 1 EUR	INR / 1 GBP	INR/ 1 JPY
Nifty 50	11535.75 (+0.75)	72.94 (-0.44%)	87.20 (-0.17%)	97.81 (+0.03%)	0.69 (-0.49%)

❖ **Customs Updates**

• **Anti-Dumping Duty on imports of Ciprofloxacin Hydrochloride**

The Notification No. 28/2020- Customs (ADD), dated September 02, 2020 seeks to impose Anti-Dumping Duty on imports of Ciprofloxacin Hydrochloride originating in or exported from China PR, for a period of six months.

<https://www.cbic.gov.in/resources//htdocs-cbec/customs/csact/notifications/notfns-2020/cs-add2020/csadd28-2020.pdf;jsessionid=A419060A58922928143A2EC98C73B89D>

• **Anti-Dumping Duty on imports of Float Glass**

The Notification No. 29/2020- Customs (ADD), dated September 02, 2020 seeks to amend notification No. 47/2015-Customs (ADD), dated 8th September 2015 to extend the levy of ADD on imports of "Float Glass" originating in or exported from China PR, for a period of three months i.e. up to December 07, 2020.

<https://www.cbic.gov.in/resources//htdocs-cbec/customs/cs-act/notifications/notfns-2020/cs-add2020/csadd29-2020.pdf;jsessionid=7AA4FBA4E511F1CC9ACC9A9B15E29C05>

❖ **Banking & Insurance**

• **DHFL case: Auditor flags fraudulent transactions worth Rs 17,394 crore**

Fraudulent transactions worth Rs 17,394 crore happened at debt-ridden mortgage firm DHFL during FY07 to FY19, according to transaction auditor Grant Thornton. Earlier this year, the administrator of Dewan Housing Finance Corporation Limited (DHFL), appointed under the Insolvency and Bankruptcy Code (IBC), obtained assistance from Grant Thornton to conduct investigation into the affairs of the mortgage firm.

<https://economictimes.indiatimes.com/industry/banking/finance/banking/dhfl-case-auditor-flags-fraudulent-transactions-worth-rs-17394-crore/articleshow/77899005.cms>

• **IRDAI issued Order in the matter of MAGMA HDI GIC Ltd.**

The Insurance regulator IRDAI has levied a penalty of Rs.28 lakhs on Magma HDI GIC Ltd. for the violation of Provisions of Regulation 12 (1 & 2) read with Regulation 3 and 4 of the IRDAI (Insurance Surveyors and Loss Assessors) Regulations, 2015.

https://www.irdai.gov.in/ADMINCMS/cms/frmGeneral_Layout.aspx?page=PageNo4232

❖ **Business and Economic News**

• **India has been ranked 48th on the Global Innovation Index (GII) 2020 among 131 economies, breaking into the top 50 countries for the first time.**

<https://m.timesofindia.com/business/india-business/india-now-in-top-50-on-global-innovation-list/articleshow/77898413.cms>

• **Government bans PUBG and 117 other Apps linked to China, citing security**

Government banned gaming app PUBG and 117 other platforms linked to China, saying they threatened the country's "sovereignty and security"—a move that comes during a military standoff between the two countries in Ladakh.

https://www.business-standard.com/article/current-affairs/govt-bans-pubg-and-117-other-apps-linked-to-china-citing-security-120090201257_1.html

• **Bus operator directed to pay Rs 20K to consumer for charging Rs 1 extra**

The district consumer grievances redressal forum in Tirunelveli has directed a private bus operator to pay Rs 20,000 as compensation to a commuter for charging Rs 1 more than the actual fare.

<https://timesofindia.indiatimes.com/city/madurai/bus-operator-directed-to-pay-rs-20k-to-consumer-for-charging-rs-1-extra/articleshow/77900469.cms>

Prepared by Directorate of Academics

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