

Info Capsule

Friday
September 04, 2020

President : CS Ashish Garg

Vice President : CS Nagendra D. Rao

❖ Ministry of Finance

Finance Minister asks Banks to roll out Loan Restructuring Scheme by September 15, 2020

Hon'ble Finance Minister has asked banks to and NBFCs to roll out loan restructuring scheme for COVID-19 related stress by September 15, 2020, and provide adequate support to the borrowers following the lifting of moratorium on repayment of debts.

<https://timesofindia.indiatimes.com/business/india-business/finance-minister-asks-banks-to-roll-out-loan-restructuring-scheme-by-september-15/articleshow/77912496.cms>

❖ International Business

Allcargo is said to Mull Europe Listing for Global Business

India's Allcargo Logistics Ltd. is considering listing its international business on a European exchange, according to people familiar with the matter, as it weighs a proposal to give up its listing at home.

<https://www.bloombergquint.com/business/india-s-allcargo-said-to-mull-europe-listing-for-global-business>



**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 Order

- In the matter of Sulabh Engineers and Services Limited, SEBI restrained 102 entities from accessing the securities market and are also prohibited from buying, selling or otherwise dealing in securities, directly or indirectly, or being associated with the securities market in any manner for the violation of regulations 3(a), (b), (c), (d) and regulations 4(1), 4(2) (a) and (e) of SEBI (PFUTP) Regulations, 2003. In the matter, it is alleged that the company had come out with two preferential allotments, thereafter, the price of the scrip was artificially manipulated by price manipulators, connected to the company and Promoter Directors by 220 times

https://www.sebi.gov.in/enforcement/orders/sep-2020/order-in-the-matter-of-sulabh-engineers-and-services-limited_47491.html

SEBI Adjudication Order

- In the matter of Finalysis Credit & Guarantee Company Ltd ("FCGCL"), SEBI imposed a total penalty of Rs 20 lakh on 12 entities on failure to make disclosures and for creation of artificial volume in the scrip of FCGCL thus violated the provisions of SEBI (PFUTP) Regulations, 2003, SEBI (PIT) Regulations, 2015 and SEBI (SAST) Regulations, 2011.

https://www.sebi.gov.in/enforcement/orders/sep-2020/adjudication-order-in-respect-of-various-entities-in-the-matter-of-finalysis-credit-and-guarantee-company-ltd_47490.html

SEBI in News

- In order to recover dues totalling nearly Rs 40 crore, SEBI has ordered attachment of bank and demat accounts of two dozen defaulters in the matters of three companies i.e. Mass Infra Realty, Skymarg Agro Industries India, and Life Care Real Developers.

https://www.business-standard.com/article/markets/sebi-orders-nearly-rs-40-crore-recovery-from-two-dozen-defaulters-120090300052_1.html?1599093673https://www.business-standard.com/article/markets/sebi-orders-nearly-rs-40-crore-recovery-from-two-dozen-defaulters-120090300052_1.html

❖ **Direct Tax**

- **CBDT has issued a circular on Imposition of charge on the prescribed electronic modes under Section 269SU of the Income-tax Act, 1961.**

Section 269SU prescribes the electronic modes for payments acceptance that an individual who is engaged in business has to provide in addition to the other electronic facility or digital mode of payment already available for the customers. It is operative for the traders or businessmen whose total sales, turnover or gross receipts from the business is more than INR 50 crore in the immediately preceding year. Another provision which was inserted is Section 10A in the Payment and Settlement Systems (PSS) Act, 2007, which provides that no Bank or system provider shall impose any charge on a payer making payment, or a beneficiary receiving payment, through electronic modes prescribed under section 269SU of their Income-Tax Act, 1961. However, it was received that some banks are imposing and collecting charges on transactions carried out through UPI. A certain number of transactions are allowed free of charge beyond which every transaction bears a charge. The said circular thus advised banks to refund the charges if collected immediately on or after January 01, 2020 on transactions carried out using the electronic modes prescribed under section 269SU of the Income-tax act, 1961 and also to not impose charges in such further transactions by prescribed modes.

<https://www.incometaxindia.gov.in/communications/circular/circular-16-2020.pdf>

❖ **Banking & Insurance**

- **Loan Moratorium : Banks should not declare accounts as NPAs till further order, says SC**

The Supreme Court of India passed an interim order saying that the accounts not declared as non-performing asset (NPA) as on 31 August shall not be declared as NPAs till further notice.

<https://www.livemint.com/industry/banking/loan-moratorium-banks-shouldn-t-declare-accounts-as-npas-till-further-order-sc-11599129403598.html>

- **Private Banks likely to gain market share from State-Owners Peers : Fitch**

Private Banks' loss-absorption buffers, in particular enhanced capital bases, strengthen their ability to recognise losses up-front with less disruption in their efforts to accelerate market-share gains, Fitch said.

<https://www.financialexpress.com/industry/banking-finance/private-banks-likely-to-gain-market-share-from-state-owners-peers-fitch/2074024/>

- **Kamath Panel on Loan Restructuring identifies Six Problem Industries**

Committee suggests solutions for 29 out of 307 sectors assessed. The panel has suggested that the two-year cut off for the restructuring will begin after implementation of the resolution plan.

<https://economictimes.indiatimes.com/industry/banking/finance/banking/kamath-panel-identifies-six-problem-sectors/articleshow/77921619.cms>

❖ **Market Watch**

| Capital Market | |
|------------------|--------------------|
| S & P BSE Sensex | 38357.18 (-633.76) |
| Nifty 50 | 11333.85 (-193.60) |

| Reference Rate | | | |
|-------------------|-------------------|-------------------|------------------|
| INR / 1 USD | INR / 1 EUR | INR / 1 GBP | INR / 1 JPY |
| 73.05 (+0.15%) | 86.67 (-0.60%) | 97.51 (-0.31%) | 0.69 (-0.12%) |

❖ **Business and Economic News**

- A tweet put out by the IMF's Chief Economist Gita Gopinath confirmed that the Indian economy saw the steepest contraction in the June quarter among G20 countries.
<https://timesofindia.indiatimes.com/business/india-business/imf-confirms-indias-gdp-worst-hit-among-g20/articleshow/77922024.cms>
- Chinese-funded home-grown Fintech Start-ups pose risk to Indian users' data in absence of Regulations
<https://scroll.in/article/971959/chinese-funded-homegrown-fintech-startups-pose-risk-to-indian-users-data-in-absence-of-regulations>
- India needs paradigm shift in personal data management : Niti Aayog
<https://www.financialexpress.com/industry/technology/india-needs-paradigm-shift-in-personal-data-management-niti-aayog/2074244/>

❖ **FSSAI**

The Food Safety and Standards Authority of India (FSSAI) has issued a circular relating to Standardized List of Documents for FSSAI License.

The Commissioner of Food Safety of the concerned States / UTs and Regional Directors of FSSAI are requested to direct the concerned designated officers / Food Safety Officers to refrain from insisting on submission of additional documents beyond the list issued by FSSAI.

https://fssai.gov.in/upload/advisories/2020/09/5f4dd5aa5c3f7Letter_Standardized_Document_License_31_08_2020.pdf

Prepared by Directorate of Academics

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

Disclaimer : Although due care and diligence have been taken in preparation and uploading this info capsule, the Institute shall not be responsible for any loss or damage, resulting from any action taken on the basis of the contents of this info capsule. Anyone wishing to act on the basis of the material contained herein should do so after cross checking with the original source.

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

ICSI Motto
सत्यं वद। धर्मं चर।
व्यक्तं तेजः पराक्तेः श्रेयते इत्युक्तेः

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

Connect with ICSI

www.icsi.edu |      | Online Helpdesk : <http://support.icsi.edu>