

Info Capsule

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**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)

President : CS Ashish Garg

Vice President : CS Nagendra D. Rao

❖ Latest @ ICSI

- **First Company Secretary Executive Entrance (CSEET) to be conducted on 29th August 2020 through remote proctored mode**

The students who have registered for the CSEET up to 27 July 2020 shall be eligible to appear in the first seat scheduled to be held through remote proctored mode on Saturday 29th August 2020. The detailed modus operandi for conducting of CSEET in remote proctored mode is place on ICSI website.

https://www.icsi.edu/media/webmodules/Conducting_1stCSEET_29082020_through_Remote_ProctoredMode.pdf

- **Commencement of Registration for Company Secretary Executive Entrance Test (CSEET) November, 2020 Session**

The Registration for the CSEET November, 2020 Session has already commenced and the last date for registration of Company Secretary Executive Entrance Test November 2020 Session shall be 27th October 2020. It is to be noted that the November, 2020 Session of CSEET is scheduled to be held on 28th November, 2020.

https://www.icsi.edu/media/webmodules/November20session_CSEET_heldon_28Nov20.pdf

❖ Ministry of Corporate Affairs

MCA Clarification on dispatch of notice under section 62(2) Companies Act, 2013 by listed companies for rights issues opening upto 31st December, 2020

MCA vide General Circular 27 /2020 dated August 03, 2020 in reference to the General circular no. 21/2020, has clarified that non-dispatch of notice to shareholders through registered post, speed post, courier by the listed Companies would not be viewed as violation of 62(2) of the Companies Act, 2013 for rights issues opening upto December 31, 2020.

http://www.mca.gov.in/Ministry/pdf/GeneralCircularNo.25_03082020.pdf

❖ Securities Laws

SEBI CIRCULAR

Grievance Resolution between listed entities and proxy advisers (August 4, 2020)

In order to facilitate resolution of grievances of listed entities against SEBI registered proxy advisors, the listed entities may approach SEBI with effect from September 01, 2020. SEBI will examine the matter for non-compliance by proxy advisors with the provisions of the Code of Conduct under regulation 24(2) read with regulation 23(1) of the SEBI (Research Analyst) Regulations, 2014 and the procedural guidelines for proxy advisors issued vide SEBI circular no. SEBI/HO/IMD/DF1/CIR/P/2020/147 dated August 03, 2020.

https://www.sebi.gov.in/legal/circulars/aug-2020/grievance-resolution-between-listed-entities-and-proxy-advisers_47252.html

SEBI INTERIM EX-PARTE ORDER (August 4, 2020)

SEBI under the urgent preventive circumstances, issued an interim ex-parte order against Chetan Yashwant Shukla which, inter alia, directed him to cease and desist from acting as an investment advisor and cease to solicit or undertake such activity or any other activities in the securities market, directly or indirectly, in any matter whatsoever until further orders. This order is issued for preventing Chetan Yashwant Shukla from collecting funds by defrauding investors and by indulging in unauthorized investment advisory services without obtaining the mandatory registrations from SEBI in accordance with the law.

https://www.sebi.gov.in/enforcement/orders/aug-2020/interim-order-in-respect-of-chetan-yashwant-shukla_47260.html

SEBI FINAL ORDER (August 4, 2020)

SEBI in its final order directed M/s. Top Class Capital Markets Pvt. Ltd. to disgorge the illegal gains of Rs. 3.78 crore along with interest at the rate of 12% per annum within 45 days from the effective date of the Order. The amount relates to a notional profit that was earned by M/s. Top Class Capital Markets Pvt. Ltd. while engaging in trading of the shares of Aurobindo Pharma Ltd. in violation of Regulation 3(i) of the PIT Regulations, 1992.

https://www.sebi.gov.in/enforcement/orders/aug-2020/final-order-in-the-matter-of-aurobindo-pharma-ltd_47259.html

❖ Ministry of Commerce and Industry

Government amends export policy with reference to export of all ventilators including any artificial respiratory apparatus or oxygen therapy apparatus or any other breathing appliance/device.

<http://egazette.nic.in/WriteReadData/2020/220848.pdf>

❖ Ministry of Finance

Government Official Updates Progress of India's Cryptocurrency Law

India's cryptocurrency bill is back in the limelight on August 4, 2020 after Money control reported on a "note" that seeks to "ban trade in cryptocurrency," citing an unnamed government official. On the condition of anonymity, the official explained that the Indian government has been holding consultations with the law ministry, the ministry of information and technology, and the Reserve Bank of India (RBI) on a framework for a law that will "formally end trading in cryptocurrency in India,".

<https://news.bitcoin.com/government-official-updates-progress-indias-cryptocurrency-law/>

❖ Banking & Insurance

• PNB classifies its loan exposure to Reliance Home Finance as fraud

Punjab National Bank (PNB) has classified its exposure to Reliance Home Finance Ltd (RHFL) as a fraud account and communicated the same to the Reserve Bank of India (RBI). As on 3 July 2019, PNB's exposure to the company stood at ₹80 crore. PNB made the decision following a forensic audit report that highlighted some Reliance Home Finance transactions with other companies in the same group. Though Reliance Home Finance had informed stock exchanges on January 12, 2020 that the audit found no evidence of diversion of funds, the bankers said PNB still went ahead with the decision.

<https://www.livemint.com/industry/banking/pnb-classifies-its-loan-exposure-to-reliance-home-finance-as-fraud-11596595877142.html>

• HDFC Bank Gets Aditya Puri's Successor. Sashidhar Jagdishan to be the New CEO

The Reserve Bank of India has approved the appointment of Sashidhar Jagdishan as the new managing director and CEO of the country's most valued bank - HDFC Bank - with effect from October 27, 2020. Sashidhar Jagdishan will succeed Aditya Puri, who is due to retire as Managing Director of HDFC Bank on October 26, 2020.

Mr. Jagdishan joined the bank in 1996 as a manager in the finance function and later became Business Head-Finance in 1999 and was appointed as Chief Financial Officer in the year 2008, HDFC Bank said in a regulatory filing.

<https://www.ndtv.com/business/hdfc-bank-ceo-appointment-rbi-approves-sashidhar-jagdishan-as-hdfc-bank-ceo-to-succeed-aditya-puri-2273747>

❖ Indirect Tax

Goods and Services Tax – Compliance for the month of August, 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)	June, 2020	5 th August, 2020
	GSTR – 1 (quarterly)	Details of outward supplies (Aggregate Turnover less than 1.5 Crores)	April to June, 2020	3 rd August, 2020
2.	GSTR – 3B	Self declaration form (Aggregate Turnover above Rs. 5 Crores)	July, 2020	20 th August, 2020
3.	GSTR – 5	Details of outward taxable supplies and tax payable by Non Resident Taxable person (monthly)	July, 2020	20 th August, 2020
4.	GSTR – 5A	Details of outward taxable supplies and tax payable by OIDAR (monthly)	July, 2020	20 th August, 2020
5.	GSTR – 6	Input Service Distributor	July, 2020	13 th August, 2020
6.	GSTR – 7	Details of TDS deducted, amount of TDS paid and payable and any refund of TDS claimed	July, 2020	31 st August, 2020
7.	GSTR – 8	Details of tax collected at source	July, 2020	31 st August, 2020
8.	ITC – 04	Details of goods or capital goods sent to job worker and received back	June, 2020	31 st August, 2020

❖ Market Watch

Capital Market	
S & P BSE Sensex	37663.33 (-24.58)
Nifty 50	11120.10 (+24.85)

Reference Rate			
INR / 1 USD	INR / 1 EUR	INR / 1 GBP	INR / 1 JPY
74.89 (+0.31%)	88.02 (+0.11%)	97.84 (+0.16%)	0.71 (+0.24%)

❖ **Direct Tax**

Income Tax Department hopes to complete all Faceless e-Assessments by mid-September

The Income Tax Department in October 2019 rolled out the faceless e-assessment scheme that eliminates physical interface between an Assessing Officer and an Assessee. Eight cities – Mumbai, Delhi, Kolkata, Chennai, Bangalore, Hyderabad, Ahmedabad and Pune are covered under the scheme. The cases taken up for faceless e-assessment include a mix of returns filed by individuals, businesses, MSMEs as well as big companies.

Under the faceless e-assessment system, the tax payer would not know by whom his /her return is being assessed or in which city. The anonymity and the absence of human interface will go a long way in addressing the issue of harassment as well as curb instances of corruption.

<https://pib.nic.in/PressReleasePage.aspx?PRID=1643289>

❖ **Business and Economic News**

• **IFSCA sets up committee for international retail business development**

The work to establish the International Financial Services Centre (IFSC) as a credible international jurisdiction and gain from the changing geopolitical situation has picked up steam. On August 3, 2020, Monday, the International Financial Services Centres Authority (IFSCA), the regulator for IFSC, set up a committee for international retail business development.

The seven-member committee will need to submit its report within three months. The panel has been tasked to suggest measures for developing international retail business in IFSC along with potential strategies for making IFSC attractive for international financial services.

<https://www.livemint.com/companies/news/ifsc-sets-up-committee-for-international-retail-business-development-11596460735937.html>

❖ **Judicial Pronouncement**

- NCLAT in the matter of Devarajan Raman, *Resolution Professional Poonam Drum & Containers Pvt Ltd. vs. Bank of India Ltd.*, (Company Appeal (AT) (Insolvency) No. 646 of 2020) on a query of the learned counsel for the Appellant replied that the Resolution Professional has worked for about three months. Since the expenses have been allowed in full and the consolidated amount of Rs.5 Lakh + GST has been allowed as fee of the Resolution Professional for the entire period, NCLAT held that it found the same is not unreasonable. Fixation of fee is not a business decision depending upon the commercial wisdom of the Committee of Creditors.

<https://nclat.nic.in/Useradmin/upload/11870494515f22af31bda59.pdf>

- NCLAT in the matter of *M P Agarwal vs. Shri Lakshmi Cotsyn Ltd. & Anr* wherein the Adjudicating Authority (National Company Law Tribunal), Allahabad Bench allowed application filed by the Resolution professional under Section 33(1)(a) r/w Section 33(2) of the Insolvency and Bankruptcy Code, 2016 and Appeal is made by one of the Promoter and Member of the suspended Board of Directors primarily on the ground that the Committee of Creditors had failed to take into account the Settlement Offer/ Proposal of the Appellant and the recommendation for Liquidation was based on stale valuations.

NCLAT held that it is the settled law of the land that the Committee of Creditors enjoys primacy in matter of approval or rejection of Resolution Plan/ Settlement Proposal and the Adjudicating Authority, as also this Appellate Tribunal would be exceeding its jurisdiction in questioning the commercial wisdom of the Committee of Creditors in approving or rejecting such plan/proposal which is essentially based on business decision. NCLAT found no justifiable ground for judicial intervention.

<https://nclat.nic.in/Useradmin/upload/12788111655f20ffb868747.pdf>

Prepared by Directorate of Academics

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

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

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सत्यं वद। धर्मं चर। दृढतां मेतः समाहः श्रेयते इयु मेतः इवः

MISSION
"To develop high calibre professionals
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