

Info Capsule

Monday
September 05, 2022

President : CS Devendra V. Deshpande

Vice President : CS Manish Gupta

❖ **Banking and Insurance**

Adhere to digital loan norms by Nov 30: RBI to lenders (September 04, 2022)

Regulated Entities (REs), including banks and other lenders, will have time till November 30 to transition existing customer accounts to the new digital lending guidelines, the Reserve Bank of India (RBI) said on September 02, 2022. The central bank clarified through a notification that the new norms, released through a circular dated August 10, will be applicable to existing customers availing fresh loans and to new customers getting on-boarded from the date of the circular.

For details:

<https://indianexpress.com/article/business/banking-and-finance/adhere-to-digital-loan-norms-by-nov-30-rbi-to-lenders-8127887/>



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भारतीय कम्पनी सचिव संस्थान
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(Under the jurisdiction of Ministry of Corporate Affairs)



❖ **Ministry of Corporate Affairs**

Amendment in the notification pertaining to application for Fast Track Corporate Insolvency Resolution Process (September 02, 2022)

The Ministry of Corporate Affairs (MCA) vide its notification dated August 30, 2022 has notified the amendment in the notification no. S.O. 1911(E) dated June 14, 2017. As per the amendment, an application for fast track corporate insolvency resolution process may be made in respect of the following corporate debtors, namely:

(a) a small company as defined under clause (85) of section 2 of Companies Act, 2013; or

“(b) a Startup (other than the partnership firm) as defined in the notification of the Government of India in the Ministry of Commerce and Industry number G.S.R. 127(E), dated the 19th February, 2019, published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (i), dated the 19th February, 2019 and as amended from time to time; or”

(c) an unlisted company with total assets, as reported in the financial statement of the immediately preceding financial year, not exceeding rupees one crore.

For details:

<https://egazette.nic.in/WriteReadData/2022/238571.pdf>

&

https://ibbi.gov.in/webadmin/pdf/legalframework/2017/Jul/notification_before_publication.pdf

❖ **Terminology for today**

Full Ratchet

A full ratchet is a contractual provision designed to protect the interests of early investors. Specifically, it is an anti-dilution provision that applies, for any shares of common stock sold by a company after the issuing of an option (or convertible security), the lowest sale price as the adjusted option price or conversion ratio for existing shareholders.

❖ **Securities Laws & Capital Markets**

SEBI News

SEBI comes out with guidelines for stock brokers providing algorithmic trading services (September 02, 2022)

Capital markets regulator SEBI came out with guidelines for stock brokers, who provide services relating to markets to investors, to prevent instances of mis-selling. The guidelines came after the SEBI observed that certain stock brokers provide algorithmic trading facilities to investors through unregulated platforms. SEBI has given certain responsibilities to stock brokers that provide algorithmic trading facilities to investors through such platforms. Such stock brokers have been restricted from making any reference to the past or expected future return of the algorithm as well as associating with any platform that provides any reference to the past or expected future return of the algorithm.

For details:

<https://www.moneycontrol.com/news/business/markets/sebi-comes-out-with-guidelines-for-stock-brokers-providing-algorithmic-trading-services-9124801.html>

❖ **Indirect Tax**

Goods and Services Tax

• Changes in Table 4 of GSTR 3B - Reporting of ITC availment, reversal and Ineligible ITC (September 02, 2022)

The Government vide Notification No. 14/2022 – Central Tax dated July 05, 2022 has notified few changes in Table 4 of Form GSTR-3B for enabling taxpayers to correctly report information regarding ITC availed, ITC reversal and ineligible ITC in Table 4 of GSTR-3B.

The Notified changes of Table 4 of GSTR-3B have been incorporated in GSTR-3B and are available on GST Portal since 01.09.2022. The taxpayers are advised to report their ITC availment, reversal of ITC and ineligible ITC correctly as per new format of Table 4 of GSTR-3B at GST Portal for the GSTR-3B to be filed for the period August 2022 onwards.

For details:

https://tutorial.gst.gov.in/downloads/news/advisory_of_label_change_in_GSTR_3B_02_09_2022.pdf

• Supreme Court allows 4 weeks extension to open common portal for Tran 1 & Tran 2 (September 03, 2022)

Hon'ble Supreme Court while hearing an application from GSTN, has allowed extension of 4 weeks' time to comply with their order dated 22/07/2022 issued in the matter of UOI & Anr. V/s Filco Trade Centre Pvt. Ltd. & Anr. bearing SLP (C) nos. 32709-32710/2018.

Accordingly, GSTN would open the common portal for filing transitional credit through Tran 1 and Tran 2 w.e.f October 01, 2022.

For details:

<https://www.gst.gov.in/newsandupdates/read/554>

❖ International Business News

Global trends, FIIs to drive India's stock markets this week: Analysts (September 04, 2022)

Indian equity markets are outperforming most of their global peers and trying to show resilience despite weak global cues. In the absence of major domestic events, equity markets will be driven by global trends, foreign fund flows and movement in the Brent crude oil, analysts said. The major global events this week are the European Central Bank interest rate decision and China's inflation rate, they added.

For details:

https://www.business-standard.com/article/markets/global-trends-fiis-to-drive-india-stock-markets-this-week-analysts-122090400447_1.html

Market Watch

Stock Market Indices as on 05.09.2022	
S & P BSE Sensex	59245.98 (+442.65)
Nifty 50	17665.80 (+126.35)

Foreign Exchange Rates as on 02.09.2022 (https://www.geojit.com/currency-futures)			
INR / 1 USD	INR / 1 EUR	INR / 1 GBP	INR / 1 JPY
79.42	79.64	92.44	0.57

Prepared by Directorate of Academics

For any suggestions, please write to academics@icsi.edu

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