

Info Capsule

Monday
October 05, 2020

President : CS Ashish Garg

Vice President : CS Nagendra D. Rao

❖ Latest @ ICSI

- **Credit Card exclusively designed for the ICSI Members (October 4, 2020)**

Bank of Baroda in association with the ICSI has launched Credit Card exclusively designed for the Esteemed ICSI Members.

For details:

<https://www.bobfinancial.com/creditcard-application-form-cs.jsp>

- **Important decisions taken by the Council of the ICSI at its meeting held on September 26, 2020 [October 1, 2020]**

Several important decisions were taken by the Council of the ICSI at its meeting held on September 26, 2020 such as approval of the Annual Accounts and Annual Report of the Institute for the Financial Year 2019-20, setting up of ICSI Overseas Centre at Singapore, Australia & Canada, approval of the Guidance note on Independent Directors, extension of the mandatory applicability of ICSI Auditing Standards (CSAS-1 to CSAS-4) from October 01, 2020 to April 01, 2021 etc.

For details:

https://www.icsi.edu/media/webmodules/Important_decisions_taken_by_the_Council_of_the_ICSI_at_its_meeting_held_26092020.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)

❖ SEBI Updates

- **SEBI wants closer look at Coffee Day's accounting (October 5, 2020)**

The SEBI has sent a show-cause notice to Coffee Day Enterprises Ltd (CDEL), the company that runs India's largest cafe chain, over misappropriation of funds by its promoters and losses to public shareholders. The SEBI has sought details about the funds raised by Coffee Day group under the late V.G. Siddhartha and promoter-level dealings that have resulted in losses for shareholders.

For details: <https://www.livemint.com/market/stock-market-news/sebi-wants-closer-look-at-coffee-day-s-accounting-11601855492270.html>

- **SEBI bans 6 individuals in front running case of India Infoline Group (October 3, 2020)**

SEBI has barred six individuals from the capital market after it unearthed a front running case involving a dealer of India Infoline Group and his connected entities using mule accounts.

It was also observed that these individuals were front running the trades of IIFL Asset Management and several alternative investment fund schemes under IIFL Wealth Management. IIFL Wealth is part of India Infoline Group.

For details:

<https://economictimes.indiatimes.com/markets/stocks/news/sebi-bans-6-individuals-in-front-running-case-of-india-infoline-group/articleshow/78467410.cms>

❖ **Banking and Insurance**

Rate waiver likely to worsen banks' woes (October 05, 2020)

Lenders are staring at a massive exercise in recalculating loan dues following a government proposal to waive compound interest during the loan moratorium, even as they work on restructuring vast amounts of stressed loans under central bank supervision. If the Supreme Court accepts the government proposal, banks and financial institutions will have to rework millions of equated monthly instalments (EMI) for the moratorium period. As the proposal will also apply to those who did not use the moratorium, ways must be devised to compensate them as well.

For details: <https://www.livemint.com/industry/banking/rate-waiver-likely-to-worsen-banks-woes-11601856165050.html>

❖ **Business and Economic News**

Personal Data Protection Bill likely to be tabled in Parliament in Budget Session (October 04, 2020)

The Personal Data Protection Bill, which proposes to put restriction on the use of personal data without explicit consent of citizens, is likely to be tabled in the next year's Budget Session of the Parliament, according to a source. The Draft Bill approved by the Cabinet in December 2019, proposes a penalty of up to Rs. 15 crore and up to three-year jail term of company executives for violating norms

For details:

http://timesofindia.indiatimes.com/articleshow/78477089.cms?utm_source=contentofinterest&utm_medium=text&utm_campaign=cppst

❖ **Direct Tax**

Income tax (22nd Amendment) Rules, 2020 (October 1, 2020)

CBDT vide Notification No. 82/2020 dated October 1, 2020 issued Income tax (22nd Amendment) Rules, 2020 to notify changes in Form 3CD, Form No 3CEB and ITR6. Further, amended Rule 5 of Income Tax Rules, 1962 and inserted new Rules and Forms namely:

- Rule 21AG- Exercise of option under sub-section (5) of section 115BAC
- Rule 21AH- Exercise of option under sub-section (5) of section 115BAD
- FORM No. 10-IE- Application for exercise/ withdrawal of option under clause (i) of sub-section (5) of Section 115BAC of the Income-tax Act, 1961
- FORM No. 10-IF- Application for exercise of option under sub-section (5) of Section 115BAD of the Income-tax Act, 1961.

For details:

https://www.incometaxindia.gov.in/communications/notification/notification_82_2020.pdf

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

S. No.	Return	Description	Month(s) Period	Revised Due Date
1.	GSTR – 3B*	Group A States : Aggregate Turnover up to Rs. 5 Crores in preceding F.Y.	August, 2020	October 1, 2020
		Group B States : Aggregate Turnover up to Rs. 5 Crores	August, 2020	October 3, 2020
		Aggregate Turnover above Rs. 5 Crores in preceding F.Y.	September, 2020	October 20, 2020
		Group A States : Aggregate Turnover up to Rs. 5 Crores in preceding F.Y.	September, 2020	October 22, 2020
		Group B States: Aggregate Turnover up to Rs. 5 Crores	September, 2020	October 24, 2020
2.	GSTR – 7	Details of TDS deducted, amount of TDS paid and payable and any refund of TDS claimed	September, 2020	October 10, 2020
3.	GSTR – 8	Details of Tax collected at Source	September, 2020	October 10, 2020
4.	GSTR – 1 (Monthly)	Details of outward supplies (Aggregate Turnover greater than 1.5 Crores and up to 5 Crores)	September, 2020	October 11, 2020
5.	GSTR – 6	Input Service Distributor	September, 2020	October 13, 2020
6.	CMP-08	Quarterly Return for Composite dealers	July - September, 2020	October 18, 2020
7.	GSTR – 5	Details of outward taxable supplies and tax payable by Non Resident Taxable person (monthly)	September, 2020	October 20, 2020
8.	GSTR – 5A	Details of outward taxable supplies and tax payable by OIDAR (monthly)	September, 2020	October 20, 2020
9.	GSTR – 1 (Quarterly)	Aggregate Turnover not exceeding Rs. 1.50 Cr and opted to file quarterly Return	Quarter ending September, 2020	October 31, 2020
10.	GSTR - 4	GST Return by composite dealers	For F.Y. 19-20	October 31, 2020
11.	GSTR-9	Annual Return	For F.Y. 18-19	October 31, 2020
12.	GSTR-9C	Reconciliation Statement	For F.Y. 18-19	October 31, 2020

***GSTR – 3B : Group A States :** Chhattisgarh, Madhya Pradesh, Gujarat, Maharashtra, Karnataka, Goa, Kerala, Tamil Nadu, Telangana, Andhra Pradesh.

Union Territories : 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	
S & P BSE Sensex	38987.61 (+290.56)
Nifty 50	11507.50 (+90.55)

Reference Rate			
INR / 1 USD	INR / 1 EUR	INR / 1 GBP	INR / 1 JPY
73.57 (-0.17%)	86.25 (-0.01%)	94.68 (-0.06%)	0.70 (-0.14%)

❖ **Judicial Pronouncement**

September 22, 2020	Navneet Sahay Verma and Anr. (Petitioners) vs. Registrar of Companies and Anr. (Respondents)	Bombay High Court
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The disqualified director cum promoter can continue to act in the capacity of promoter to nominate any other person as a director under Section 167(3) of the Companies Act, 2013 to apply under the CFSS Scheme, 2020

Fact of the case:

The Petitioner No.1 is both director & promoter of the company and Petitioner No.2 is an erstwhile director who have been disqualified. Due to the disqualification, they cannot apply under the Companies Fresh Start Scheme 2020. Hence, seek a direction that they may be permitted to apply under the Scheme and for the said purpose their DIN should be activated. The Respondent submitted that for the Company applying under the Scheme, the DIN of the Petitioners is not required to be activated as there is a provision under Section 167(3) of the Companies Act 2013 itself which will serve the same purpose.

Judgement

The court held that even though the directors of the company vacated their offices, if a person is acting in the capacity of director cum promoter and is disqualified as a director, he can continue to act in the capacity of a promoter to nominate any other person as a director. Hence, in the capacity of promoter, the Petitioner can nominate any person as a director and follow Section 167(3) of the Companies Act, 2013 to apply under the Companies Fresh Start Scheme 2020. Therefore, it is not necessary to issue any further directions in this regard. This course of action is, available to the Petitioner/s regarding the Scheme.

For details: <https://taxguru.in/wp-content/uploads/2020/09/Navneet-Sahay-Verma-and-another-Vs.-Registrar-of-Companies-and-another-Bombay-High-Court.pdf>

Prepared by Directorate of Academics

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

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वचनं धेनुः तृणैः श्लोकेषु धेनुः।

MISSION
"To develop high calibre professionals
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