

Info Capsule

Monday
September 07, 2020

President : CS Ashish Garg

Vice President : CS Nagendra D. Rao

❖ Latest @ ICSI

National Live Webinar on Investor Education and Awareness

ICSI is organizing the National Webinar on Investor Education and Awareness on September 07, 2020.

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

https://www.icsi.edu/media/webmodules/National_Webinar_Investor_Education_Awareness_2.pdf

❖ Ministry of Finance

India witnessing V-shaped recovery; stringent lockdown led to steep contraction of economy: FinMin report

The finance ministry on September 04, 2020 said the country is witnessing a V-shaped economic recovery and attributed the steep 23.9 percent contraction of the economy in the June quarter to "stringent lockdown" that was put in place to curb spreading of coronavirus infections.

<https://yourstory.com/2020/09/india-v-shaped-recovery-stringent-lockdown-finmin>



**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 & Capital Market

SEBI in News

- In order to recover dues worth over Rs 5 crore, SEBI has ordered attachment of bank accounts of fugitive businessman Mehul Choksi along with the accounts of Gitanjali Gems and its executive director Dhanesh Sheth. Choksi, the uncle of diamantaire Nirav Modi, is the promoter and managing director of Gitanjali Gems.

<https://www.moneycontrol.com/news/business/markets/sebi-orders-attachment-of-bank-demat-accounts-of-mehul-choksi-gitanjali-gems-5800661.html>

- The Association of National Exchanges Members of India (ANMI) urged SEBI to waive the penalty for short margining in all the segments till September 15 as systems are not fully geared for the new mechanism on 'pledge and repledge'. The new mechanism on 'pledge and repledge' came into force from September 1. Under the new framework, stock brokers will have to collect margins from investors upfront for any purchase or sale of shares and failure to do so will attract penalty.

<https://economictimes.indiatimes.com/markets/stocks/news/anmi-urges-sebi-to-waive-short-margin-penalty-collection-till-sep-15/articleshow/77917855.cms>

- SEBI's new margin norms may hit traditional brokers harder than the new-age discount brokers or those that cater to institutional clients. Market players said the new norms were more suited for online brokers, where clients were typically internet savvy. For an offline broker, the client either visits the branch or places orders through the telephone. Creating a pledge, however, requires authentication on the depository website.

https://www.business-standard.com/article/markets/new-margin-norms-to-hit-traditional-brokers-more-suited-for-online-brokers-120090401308_1.html

❖ Indirect Tax

System Computed Values of GSTR – 1 Statement

A pdf statement has been made available to taxpayers, filing monthly GSTR-1 statement, with system computed values of Table 3 of Form GSTR-3B. This PDF will be prepared on the basis of the values reported by them, in their GSTR-1 statement, for the said tax period.

<https://www.gst.gov.in/newsandupdates/read/398>

❖ **Banking and Insurance**

• **Master Directions – Priority Sector Lending (PSL) – Targets and Classification**

The Priority Sector Lending (PSL) guidelines issued by Reserve Bank of India were last reviewed for Commercial Banks in April 2015 and for UCBs in May 2018 respectively. With an objective to harmonise various instructions issued to Commercial Banks, SFBs, RRBs, UCBs and LABs; align these guidelines with emerging national priorities and bring sharper focus on inclusive development, it was decided to comprehensively review the PSL guidelines. The revised guidelines also aim to encourage and support environment friendly lending policies to help achieve Sustainable Development Goals (SDGs).

<https://www.rbi.org.in/scripts/NotificationUser.aspx?Id=11959&Mode=0>

• **Long Form Audit Report (LFAR) - Review**

Keeping in view the large scale changes in the size, complexities, business model and risks in the banking operations, a review of the LFAR formats has been initiated in consultation with the stakeholders.

<https://www.rbi.org.in/scripts/NotificationUser.aspx?Id=11960&Mode=0>

❖ **Restructuring and Insolvency**

Guidelines for Appointment of Insolvency Professionals as Administrators under the Securities and Exchange Board of India (Appointment of Administrator and Procedure for Refunding to the Investors) Regulations, 2018

The IBBI and the SEBI have mutually agreed upon to use a Panel of IPs for appointment as Administrators for effective implementation of the Regulations. The IBBI shall prepare a Panel of IPs keeping in view the requirements of SEBI and the Regulations and the SEBI shall appoint the IPs from the Panel as Administrators, as per its requirement in accordance with the Regulations.

<https://ibbi.gov.in/uploads/legalframework/1d05f0423806860621ad259e52ed40f2.pdf>

❖ **International Business**

TerraPay announces the appointment of Ron Vollebregt as Chairman of the Board

TerraPay, a global payments infrastructure company, announced the appointment of Ron Vollebregt as Chairman of its Board of Directors.

<https://finance.yahoo.com/news/terrapay-announces-appointment-ron-vollebregt-020000528.html>

❖ **Market Watch**

Capital Market	
S & P BSE Sensex	38417.23 (+60.05)
Nifty 50	11355.05 (+21.20)

Reference Rate			
INR / 1 USD	INR / 1 EUR	INR / 1 GBP	INR / 1 JPY
73.25 (+0.28%)	86.66 (-0.02%)	97.34 (-0.17%)	0.69 (+0.19%)

❖ **Business and Economic News**

- The Federation of Automobile Dealers Associations (FADA), the apex national body of Automobile Retail in India, announced the appointment of Vinkesh Gulati as its 35th president.

<https://timesofindia.indiatimes.com/business/india-business/vinkesh-gulati-appointed-president-of-fada/articleshow/77952364.cms>

- Telecom regulator 'TRAI' has granted additional time, till September 08, to Vodafone Idea to reply to its show-cause notice on priority plan, after the company sought more time to respond.

<https://timesofindia.indiatimes.com/business/india-business/trai-grants-voda-idea-time-till-sep-8-to-respond-to-priority-plan-show-cause-notice/articleshow/77958691.cms>

❖ **Pronouncement****Delhi High Court has set aside the disqualification of Directors, in light of the Companies Fresh Start Scheme (CFSS), 2020**

In the matter of *Sandeep Agarwal & Anr. vs. Union of India & Anr.*, the Petitioners are directors of two companies – one whose name has been struck off from the Register of Companies on June 30, 2017, due to non-filing of financial statements and annual returns and one, which is still active. The Petitioners, being directors of struck off company were also disqualified w.e.f. November 01, 2016 for a period of five years till October 31, 2021 under Section 164(2)(a) of the Companies Act, 2013. Consequently, their DIN and DSC have also been cancelled.

Delhi High Court has set aside the disqualification of the Petitioners as directors, in light of the Companies Fresh Start Scheme (CFSS), 2020 and observed that considering the COVID-19 pandemic, the MCA has launched the CFSS-2020 to allow a fresh start for the companies which have defaulted, which ought to be given full effect. It is not uncommon to see directors of one company being directors in another company. Under such circumstances, to disqualify directors permanently and not allowing them to avail of their DINs and DSCs could render the Scheme itself nugatory.

https://www.livelaw.in/pdf_upload/pdf_upload-380971.pdf

Prepared by Directorate of Academics

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

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