

Info Capsule

Monday
December 07, 2020

President : CS Ashish Garg

Vice President : CS Nagendra D. Rao

❖ Insurance

- **IRDAI clarifies on revision in health insurance premium : Check details (December 05, 2020)**

The Insurance Regulatory and Development Authority of India (IRDAI) has come out with a clarification on the way the revision in health insurance premium happens. As per the regulator, there are some reports in the media about hike in health insurance premium rates by general and health insurance companies. Some of the news items attributed the increase in health insurance premiums to certain recent regulatory initiatives taken by IRDAI.

For details :

<https://www.financialexpress.com/money/insurance/irdai-clarifies-on-revision-in-health-insurance-premium-check-details/2143945/>



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भारतीय कम्पनी सचिव संस्थान

IN PURSUIT OF PROFESSIONAL EXCELLENCE

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(Under the jurisdiction of Ministry of Corporate Affairs)

❖ Securities Laws & Capital Markets

SEBI Adjudication Order

- **In respect of U. P. Power Corporation Limited (UPPCL) (December 04, 2020)**

SEBI imposed a penalty of Rs. 2 lakh on UPPCL for not making requisite disclosures under the provisions of Regulations 13(3), 13(4), 50(3), 52(1), (2), (4), (5) & (8), 54(2), 53 and 57(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations.

For details:

https://www.sebi.gov.in/enforcement/orders/dec-2020/adjudication-order-in-respect-of-u-p-power-corporation-limited_48361.html

News

- **SC Hearing : Franklin Templeton to take unitholders' approval for winding up schemes (December 03, 2020)**

The Supreme Court (SC), on December 03, 2020 heard the petition filed by Franklin Templeton Mutual Fund (FT MF) and the fund house agreed that it would conduct unitholders' voting to get consent on winding up of the six debt schemes. The voting is likely to be held in the next few weeks. "The Hon'ble Supreme Court on December 03, 2020 issued an interim order allowing the trustee of Franklin Templeton to seek consent of the unitholders for the winding up of the six schemes u/r 18(15)(c) of SEBI (Mutual Fund) Regulation 1996," a Franklin Templeton spokesperson said.

For details:

<https://www.moneycontrol.com/news/business/personal-finance/sc-hearing-franklin-templeton-to-take-unitholders-approval-for-winding-up-schemes-6184341.html>

- **Alteria Capital targets ₹1750 crore fund, first close expected in H1 2021 (December 07, 2020)**

Alteria Capital plans to launch its second venture debt fund, eyeing a ₹1,000 crore corpus with a green-shoe option of ₹750 crore, the company announced. The fund has been approved by SEBI and is expected to have a first close sometime in the first half of 2021. It will be the largest pool of alternative debt capital available for early and growth stage startups in India, claims Alteria Capital.

For details:

<https://www.livemint.com/companies/news/alteria-capital-targets-rs-1750-crore-fund-first-close-expected-in-h1-21-11607318645152.html>

❖ **Banking**

- **24x7 Availability of Real Time Gross Settlement (RTGS) System (December 04, 2020)**

The Reserve Bank of India has decided to make RTGS available round the clock on all days of the year with effect from 00:30 hours on December 14, 2020.

For details:

<https://www.rbi.org.in/Scripts/NotificationUser.aspx?Id=11998&Mode=0>

- **Card transactions in Contactless mode - Relaxation in requirement of Additional Factor of Authentication (AFA) (December 04, 2020)**

The present COVID-19 pandemic has underlined the benefits of contactless transactions. Keeping this in view and based on stakeholder feedback, it was announced in the Statement on Developmental and Regulatory Policies dated December 04, 2020 that per transaction limit for AFA relaxation for contactless card transactions will be increased. Accordingly, given the sufficient protection available to users, it has been decided to increase the per transaction limit to ₹5,000/-. All other requirements, including the discretion of cardholder to use contactless or contact mode of transaction, shall continue to remain applicable, as hitherto.

For details:

<https://www.rbi.org.in/Scripts/NotificationUser.aspx?Id=11999&Mode=0>

- **Authorisation of entities for operating a Payment System under the Payment and Settlement Systems Act, 2007 (PSS Act) – Introduction of Cooling Period (December 04, 2020)**

To inculcate discipline and encourage submission of applications by serious players as also for effective utilisation of regulatory resources, it has been decided by the Reserve Bank of India to introduce the concept of Cooling Period in specified situations.

For details:

<https://www.rbi.org.in/Scripts/NotificationUser.aspx?Id=12001&Mode=0>

- **Declaration of dividends by banks (December 04, 2020)**

In view of the ongoing stress and heightened uncertainty on account of COVID-19, it is imperative that banks continue to conserve capital to support the economy and absorb losses. In order to further strengthen the banks' Balance Sheets, while at the same time support lending to the real economy, it has been decided that banks shall not make any dividend payment on equity shares from the profits pertaining to the financial year ended March 31, 2020.

For details:

<https://www.rbi.org.in/Scripts/NotificationUser.aspx?Id=12003&Mode=0>

- **Introduction of Liquidity Adjustment Facility (LAF) and Marginal Standing Facility (MSF) for Regional Rural Banks (RRBs) (December 04, 2020)**

In order to provide an additional avenue for liquidity management to Regional Rural Banks (RRBs), it has been decided that Liquidity Adjustment Facility (LAF) and Marginal Standing Facility (MSF) will be extended to Scheduled RRBs meeting certain specific criteria as given in notification.

For details : <https://www.rbi.org.in/Scripts/NotificationUser.aspx?Id=12004&Mode=0>

❖ Terminology for today

Annual Percentage Rate

The business finance term and definition APR represents the yearly real cost of a loan including all interest and fees. The total amount of interest to be paid is based on the original amount loaned, or the principal, and is represented in percentage form. When shopping for the right loan for your small business, you should know the APR for the loan in question. This figure can be very helpful in comparing one financial tool with another since it represents the actual cost of borrowing.

❖ Market Watch

Stock Market Indices as on 07.12.2020	
S & P BSE Sensex	45426.97 (+347.42)
Nifty 50	13355.75 (+97.20)

Foreign Exchange Rates as on 04.12.2020 (https://www.fbil.org.in/#/home)			
INR / 1 USD	INR / 1 GBP	INR / 1 EUR	INR / 1 JPY
73.7413	99.2578	89.6404	.7099

Prepared by Directorate of Academics

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

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