❖ Ministry of Corporate Affairs

The Companies (Acceptance of Deposits) Amendment Rules, 2020

MCA vide notification dated September 07, 2020, issued the Companies (Acceptance of Deposits) Amendment Rules, 2020. Amended Rule provided that Start-up Company receiving an amount of Rs. 25 Lakhs or more by way of convertible note (which is convertible into equity shares or repayable) within a period of not exceeding 10 years (earlier 5 years) from date of issue in a single tranche from a person, won't be treated as deposit.


❖ Securities Law & Capital Market

SEBI CIRCULARS

• Re-lodgement of Shares Transfer Requests (September 07, 2020)

SEBI, in March 2019, had clarified that transfer deeds lodged prior to deadline of April 01, 2019 and rejected/returned due to deficiency in the documents may be re-lodged with requisite documents. SEBI fixed the cut-off date as March 31, 2021 for re-lodgement of transfer deeds. Further, the shares that are re-lodged for transfer (including those request that are pending with the listed company / RTA, as on date) shall henceforth be issued only in demat mode.


• SEBI IMPOUNDING ORDER (September 04, 2020)

In the matter of Tara Jewels Ltd., SEBI issued an Ad–Interim Ex–Parte Order against 3 entities for impounding such alleged unlawful notional loss avoided of total Rs. 1.38 crore under Section 11(1) read with 11(4)(d) and 11B(1) of the SEBI Act read with Regulation 10 of the PFT Regulations. It is alleged that the trades were done by these entities, who were insiders and also promoters of the Company, while in possession of the UPSI to the detriment of the public shareholders of the Company.


SEBI IN NEWS

• SEBI’s new margin norms may give a fillip to Dabba Trading in equities - a parallel market where trades are done based on prices quoted on exchanges, but settled in cash off-market. ‘Dabba Trading’ is catching on like wildfire. Terminals are being circulated, mobile apps created and people are being hired to meet the demand. Several authorized persons may migrate to this platform.

**Market Watch**

<table>
<thead>
<tr>
<th>Capital Market</th>
<th>Reference Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>S &amp; P BSE Sensex</td>
<td>38365.35 (-51.88)</td>
</tr>
<tr>
<td>Nifty 50</td>
<td>11317.35 (-37.70)</td>
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**Indirect Taxes**

**Goods and Services Tax**

- **Centre would honour full GST Compensation owed to States**
  The entire sum of compensation owed to states on account of shortfall in collections of Goods and Services Tax (GST) will be “honoured”. Part of it would be paid out immediately and the balance over a deferred period to be mutually decided by GST Council.


**Customs**

- **Paper based Taggants exempt from Basic Customs Duty**
  *Notification No. 33/2020- Customs, dated September 07, 2020*
  The Central Government, on being satisfied that it is necessary in the public interest so to do, hereby makes the following further amendments in the notification of the Government of India, in the Ministry of Finance (Department of Revenue), No. 50/2017-Customs, dated the June 30, 2017, published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (i), vide number G.S.R. 785(E), dated the June 30, 2017, namely:- In the said notification, in the Table, against S. No. 258, in column (3), for the word “M-feature”, the words “Paper Based Taggant, including M-feature,” shall be substituted.


- **Notification to amend earlier Notification which specifies the duties of Officers**
  *Notification No. 85/2020- Customs (NT), dated September 04, 2020*
  The Central Board of Indirect Taxes and Customs (CBIC) hereby makes the following further amendment in the notification of the Government of India in the Ministry of Finance (Department of Revenue) No. 92/2017-Customs (N.T.), dated the September 28, 2017, namely:- In the said notification, in paragraph 1, for the provisos, the following proviso shall be substituted, namely :- “Provided that each of the officers as mentioned in column (2) of the Table, shall have jurisdiction in relation to an order or decision of the officers sub-ordinate to all other officers as mentioned in column (3) thereof, in respect of the bill of entry entered for home consumption under sub-section (1) of section 46 or for warehousing under section 68 of the said Act for goods imported at a customs station in the jurisdiction of the officers as mentioned in the corresponding entry in said column (3) of the said Table against their own which are assigned to them electronically in the Customs Automated System for the purposes of sub-section (5) of section 17 and section 18 of the said Act.”.


**International Business**

- **Himachal Pradesh, World Bank sign $82 mn loan deal for, HP State Roads Transformation Project**
  The Government of Himachal Pradesh and the World Bank today signed $82 million loan for the implementation of Himachal Pradesh State Roads Transformation Project which will strengthen transport and road safety institutions of Himachal Pradesh by improving the condition, safety, resilience, and engineering standards of state road network.

**Banking and Insurance**

  The Reserve Bank had set up an Expert Committee with Shri K. V. Kamath as the Chairperson, as announced in the press release dated August 07, 2020. The Expert Committee has since submitted its recommendations to the Reserve Bank on September 04, 2020, which have been broadly accepted by the Reserve Bank. Accordingly, all lending institutions shall mandatorily consider the key ratios while finalizing the resolution plans in respect of eligible borrowers under Part B of the Annex to the Resolution Framework.
  

- **RBI constituted K.V. Kamath committee names 26 sectors for restructuring**
  The K.V. Kamath committee has selected 26 sectors which will require restructuring based on its analyses of financial parameters hit due to the economic crash caused by the coronavirus pandemic. In its report the five member committee said power, construction, iron and steel, roads, real estate, wholesale trading, textiles, consumer durables, aviation, logistics, hotels, restaurants and tourism, mining are among the sectors that will need restructuring.
  

- **Chanda Kochhar’s husband Deepak Kochhar arrested by ED in money laundering case**
  The Enforcement Directorate (ED) on Monday arrested Deepak Kochhar in a money-laundering case registered more than a year and half ago against the businessman and his wife, former ICICI Bank Chief Executive Chanda Kochhar. The agency arrested him around 8.30 pm after a round of questioning that started in the afternoon, people in the know said. During questioning, he was confronted with fresh evidence that recently emerged about a money trail related to his company NuPower Renewables.
  

- **Wellness and Preventive features to make Health Insurance affordable**
  Broadening the scope of insurance, the Insurance Regulatory and Development Authority of India (IRDAI) has asked the insurance companies to include wellness and preventive features in insurance policies, which would encourage the policyholders to stay healthy to minimise the chance of falling sick and getting hospitalised. The aim of taking such measures is to minimise the instances of hospitalisations, which would ease the burden on the insurance pool.
  

**Business and Economic News**

- **The issue of delay in ratification of 8.5% rate of interest for Employees Provident Fund (EPF) for 2019-20 is likely to be raised in the meeting of retirement fund body EPFO scheduled on September 09, 2020.**
  

- **From the merger of various banks with roots in Dakshina Kannada to the shifting of the office of the principal commissioner (administration) for Income Tax by the Central Board of Direct Taxes (CBDT) from Mangaluru to Panaji.**
  

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**Prepared by Directorate of Academics**

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

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