

# Info Capsule

Monday  
August 09, 2021

President : CS Nagendra D. Rao

Vice President : CS Devendra V. Deshpande

## ❖ Latest @ ICSI

### EEE 2.0 : Share Based Employee Benefits

The fourteenth session of the EEE 2.0: Bi-weekly Webinar Series is scheduled on Tuesday, August 10, 2021 from 11:00 am to 01:00 pm on the topic: Share Based Employee Benefits, Coverage: ESOP & Sweat Equity Shares.

For details:

[https://www.icsi.edu/media/web\\_modules/ICSI\\_Flyer\\_EEE2\\_schedule\\_09082021.pdf](https://www.icsi.edu/media/web_modules/ICSI_Flyer_EEE2_schedule_09082021.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)

## ❖ Securities Laws & Capital Markets

### • SEBI Board Meeting (August 06, 2021)

The SEBI Board met on August 06, 2021 where it, inter-alia, approved the following:

- The merger of SEBI (Issue of Sweat Equity) Regulations, 2002 and SEBI (Share Based Employee Benefits) Regulations, 2014 into a single regulation called the SEBI (Share Based Employee Benefits and Sweat Equity) Regulations, 2021.
- The lock-in of promoters shareholding to the extent of minimum promoters contribution (i.e. 20% of post issue capital) shall be for a period of 18 months from the date of allotment in initial public offering (IPO)/further public offering (FPO) instead of existing 3 years, if the object of the issue involves only offer for sale, fund raising other than for capital expenditure, for a project.
- The proposal for shifting from the concept of promoter to 'person in control' or 'controlling shareholders' in a smooth, progressive and holistic manner. It was noted that investor landscape is now changing, with private equity and institutional investors holding significant shareholding in listed companies.
- The definition of promoter group shall be rationalized, in case where the promoter of the issuer company is corporate body, to exclude companies having common financial investors, in order to reduce the disclosure requirements at the time of IPO.

- The proposals relating to review of SEBI (LODR) Regulations, 2015 pertaining to issuers who have listed Non-Convertible Debt Securities, Non-Convertible Redeemable Preference Shares, Perpetual Debt Instruments and/ or Perpetual Non-Cumulative Preference Shares in order to improve transparency, rationalization and removing of redundant provisions so as to provide further robustness to the corporate bond market.
- The Board has decided to do away with certain disclosure obligations for the acquirers/promoters, etc. pertaining to acquisition or disposal of shares aggregating to 5% and any change of 2% thereafter, annual shareholding disclosures and creation/invocation/release of encumbrance registered in depository systems under Takeover Regulations w.e.f. April 01, 2022. These relaxations have been done on account of implementation of the System Driven Disclosures (“SDD”).
- The amendments to SEBI (Alternative Investment Funds) Regulations, 2012, with a view to simplify and rationalise compliance requirements for Alternative Investment Funds (AIFs), provide investment flexibility and streamline regulatory processes.

*For details:*

[https://www.sebi.gov.in/media/press-releases/aug-2021/sebi-board-meeting\\_51707.html](https://www.sebi.gov.in/media/press-releases/aug-2021/sebi-board-meeting_51707.html)

- **SEBI Corrigendum (August 06, 2021)**

The SEBI has issued corrigendum to the amendments made vide its notification no. SEBI/LAD-NRO/GN/2021/35 dated 3rd August, 2021 clarifying that the amendments shall come into force on January 01, 2022.

*For details:*

<https://egazette.nic.in/WriteReadData/2021/228797.pdf>

## ❖ Market Watch

### Stock Market Indices as on 09.08.2021

S & P BSE Sensex	54402.85 (+125.13)
Nifty 50	16258.25 (+20.05)

### Foreign Exchange Rates as on 06.08.2021

*(<https://www.geojit.com/currency-futures/rbi-reference-rate>)*

INR / 1 USD	INR / 1 EUR	INR / 1 GBP	INR/ 1 JPY
73.98	87.57	102.94	0.67

## ❖ **Direct Tax**

### • **Notification No. 86 (Dated August 04, 2021)**

The Central Government notifies for the purposes of the clause (46) of section 10 of the Income-tax Act, 1961, 'Real Estate Regulatory Authority' as specified in the schedule to this notification, constituted by Government in exercise of powers conferred under sub-section (1) of section 20 of the Real Estate (Regulation and Development) Act, 2016 (16 of 2016) as a 'class of Authority' in respect of the certain specified income arising to that Authority subject to certain conditions.

*For details:*

[https://www.incometaxindia.gov.in/communications/notification/notification\\_86\\_2021.pdf](https://www.incometaxindia.gov.in/communications/notification/notification_86_2021.pdf)

### • **Notification No. 85 (Dated August 04, 2021)**

The Central Government hereby notifies for the purposes of the clause (46) of section 10 of the Income-tax Act, 1961, 'National Council of Science Museums', Kolkata (PAN AAAAN2541C), an autonomous body established under the Ministry of Culture, Government of India, in respect of the certain specified income arising to the Council subject to certain conditions.

*For details:*

[https://www.incometaxindia.gov.in/communications/notification/notification\\_85\\_2021.pdf](https://www.incometaxindia.gov.in/communications/notification/notification_85_2021.pdf)

## ❖ **Banking and Insurance**

### • **Guidelines on Insurance Claims of victims of Floods (July 2021) in the calamity affected districts of Maharashtra State (August 06, 2021)**

The Insurance Regulatory and Development Authority of India (IRDAI) has issued above guidelines addressing all General Insurance Companies and Stand-Alone Health Insurance Companies to take immediate steps to mitigate the hardships of the affected insured population by ensuring immediate registration and settlement of eligible claims.

*For details:*

[https://www.irdai.gov.in/ADMINCMS/cms/whatsNew\\_Layout.aspx?page=PageNo4539&flag=1](https://www.irdai.gov.in/ADMINCMS/cms/whatsNew_Layout.aspx?page=PageNo4539&flag=1)

### • **Guidelines on settlement of Life Insurance Claims to the victims of Flood in Maharashtra (August 06, 2021)**

Due to recent flood there are reports of loss of human lives and loss of belongings in the state of Maharashtra, the Insurance Regulatory and Development Authority of India (IRDAI) has issued above guidelines for facilitation the quick and timely settlement of life insurance claims.

*For details:*

[https://www.irdai.gov.in/ADMINCMS/cms/whatsNew\\_Layout.aspx?page=PageNo4537&flag=1](https://www.irdai.gov.in/ADMINCMS/cms/whatsNew_Layout.aspx?page=PageNo4537&flag=1)

- **Indian bankers in talks as court rulings threaten over \$6 billion in loans (August 08, 2021)**

Informal talks are taking place to deal with the fall-out from two rulings by India's Supreme Court that threaten the repayment of loans totalling nearly 500 billion rupees (\$6.73 billion) to some of India's largest banks, bankers close to the matter say. Any failure to recoup the money adds to stress in the banking sector, which is already dealing with an increased level of bad loans and reduced profits because of the impact of the pandemic.

*For details:*

<https://economictimes.indiatimes.com/industry/banking/finance/banking/indian-bankers-in-talks-as-court-rulings-threaten-over-6-billion-in-loans/articleshow/85152461.cms>

- **IDBI Bank strategic sale : 7 firms in race for transaction advisor (August 08, 2021)**

As many as seven firms, including JM Financial, Ernst and Young and Deloitte, have bid for managing the strategic sale of IDBI Bank. These firms would make a virtual presentation before the Department of Investment and Public Asset Management (DIPAM), which is handling the sale process, on August 10, 2021. The firms that have bid for acting as transaction advisor are Deloitte Touche Tohmatsu India LLP, Ernst and Young LLP, ICICI Securities, JM Financial Ltd, KPMG, RBSA Capital Advisors LLP and SBI Capital Markets.

*For details:*

<https://www.financialexpress.com/industry/banking-finance/idbi-bank-strategic-sale-7-firms-in-race-for-transaction-advisor/2306596/>

## ❖ **Business and Economic News**

### **Government nullifies retro tax; introduces Bill to amend Income Tax Act 1961 (August 06, 2021)**

The Taxation Laws (Amendment) Bill, 2021 passed in Lok Sabha on August 6, 2021 proposes to amend the Income Tax Act, 1961 and the Finance Act, 2012 to scrap the effect of RETRO TAX amendment (which took place in the year 2012 after Supreme Court judgement in the case of *Vodafone International B.V vs. Union of India & Anr.*) to the Income-tax law for Indirect Transfer of Indian Assets.

*For details :*

[http://164.100.47.4/BillsTexts/LSBillTexts/Asintroduced/120\\_2021\\_LS\\_E.pdf](http://164.100.47.4/BillsTexts/LSBillTexts/Asintroduced/120_2021_LS_E.pdf)

### **Prepared by Directorate of Academics**

*For any suggestions, please write to [academics@icsi.edu](mailto:academics@icsi.edu), or call at 01204082116*

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