

Info Capsule

Thursday
September 10, 2020

President : CS Ashish Garg

Vice President : CS Nagendra D. Rao

❖ Latest @ ICSI

- **MCA agreed to ICSI request for extension of time for holding AGM for the financial year ended on 31.03.2020**

In view of the representations submitted by ICSI for extending the time for holding the Annual General Meeting (AGM) for the year ending March 31, 2020, due to the difficulties faced during Covid-19 pandemic, the Ministry of Corporate Affairs (MCA) has considered the request and granted the extension up to 3 months from the due date of holding such AGM.
https://www.icsi.edu/media/webmodules/PR_MCAaccedestoICSIREQUESTofextension_time_holding_AGM_FY_31122020.pdf

- **International Virtual Summit on India Corporate Governance Stewardship**

ICSI in association with ASSOCHAM is organising an International Virtual Summit on India Corporate Governance Stewardship on September 10, 2020.
https://www.icsi.edu/media/webmodules/icsi_virtual_summit.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 and Capital Market

SEBI Circulars

- **Operating Guidelines for Portfolio Managers in International Financial Services Centre (IFSC) (September 9, 2020)**

SEBI has put in place 'Operating Guidelines for Portfolio Managers in IFSC' which *inter alia*, provide that all provisions and subsequent amendments under the SEBI (Portfolio Managers) Regulations, 2020, the guidelines and circulars issued thereunder, shall apply mutatis mutandis to Portfolio Managers setting up/operating in IFSC subject to these operating guidelines.

https://www.sebi.gov.in/legal/circulars/sep-2020/operating-guidelines-for-portfolio-managers-in-international-financial-services-centre_47522.html

- **Automation of Continual Disclosures under Regulation 7(2) of SEBI (Prohibition of Insider Trading) Regulations, 2015 - System driven disclosures. (September 9, 2020)**

SEBI has decided to implement the system driven disclosures for member(s) of promoter group and designated person(s) in addition to the promoter(s) and director(s) of company (hereinafter collectively referred to as entities) under Regulation 7(2) of PIT Regulations. To begin with, the system driven disclosures shall pertain to trading in equity shares and equity derivative instruments i.e. Futures and Options of the listed company (wherever applicable) by the entities. The procedure for implementation of the system driven disclosures is annexed to this circular.

https://www.sebi.gov.in/legal/circulars/sep-2020/automation-of-continual-disclosures-under-regulation-7-2-of-sebi-prohibition-of-insider-trading-regulations-2015-system-driven-disclosures_47523.html

SEBI Adjudication Orders (September 9, 2020)

S. No.	Name of Entity on which penalty is imposed	Alleged Violations	Penalty
1)	Mr. Sanket Rakesh Jain (In the matter of SRK Industries Ltd.)	Failed to disclose the requisite disclosures pertaining to his acquisition of 1,24,475 shares of SRK and becoming promoter of the SRK, within 2 days as required under regulation 13(2A) of the SEBI (Prohibition of Insider Trading) Regulations, 1992 ('PIT Regulations'). Also failed to disclose change in his shareholding due to scheme of arrangement within 2 days as required under regulation 13(5) of the PIT Regulations.	2 lakh
2)	Ms. Rekha Jain (In the matter of SRK Industries Ltd.)	Failed to disclose the requisite disclosures pertaining to her acquisition of 45,000 shares of SRK and also change in her shareholding due to scheme of arrangement, within 2 days as required under regulation 13(5) of the PIT Regulations.	2 lakh
3)	BDS Share Brokers Pvt. Ltd. (In the matter of Nagpur Power and Industries Ltd.)	Allegedly dealt in the scrip of the company in the fraudulent and manipulative manner by employing manipulative device. By indulgence in such acts that created false or misleading appearance of trading in the securities market and manipulated the price of the scrip of the company.	7 lakh

<https://www.sebi.gov.in/sebiweb/home/HomeAction.do?doListingAll=yes>

SEBI in News

- SEBI has tightened its grip on board composition at market infrastructure institutions (MIIs). The regulator already has a strict framework in place dictating the appointments and tenures of board members at stock exchanges, clearing corporations and depositories termed MIIs in market parlance. However, it appears that regulator opposed reappointment of certain 'shareholder directors' due to concerns over their lengthy association.

https://www.business-standard.com/article/markets/sebi-tightens-grip-on-board-composition-at-market-infra-institutions-120090900480_1.html

❖ Indirect Tax**Goods and Services Tax updates****Not paying GST Compensation may lead to Rs. 3 Trillion cut in capex by states**

Not paying the full GST compensations by the Centre is among the factors which may result in up to Rs. 3 lakh crore cut in capital expenditure by the states in FY21. As per the report of a rating agency, ICRA, it is said that the borrowing alternative offered by the Centre to make up for the shortfall in the promised compensation will lead to the States' fiscal deficits widening to 4.25 - 5.52%.

https://www.business-standard.com/article/economy-policy/in-absence-of-gst-compensation-states-may-cut-fy21-capex-by-rs-3-trn-icra-120090901803_1.html

❖ Banking and Insurance**• FM unveils Doorstep Banking Services by PSBs**

Finance and Corporate Affairs Minister Nirmala Sitharaman inaugurated 'Doorstep Banking' services by Public Sector Banks (PSBs). Doorstep Banking, which is part of the EASE Banking Reforms, is envisaged to provide convenience of banking services to the customers at their door step through the universal touch points of Call Centre, Web Portal or Mobile App. Customers can also track their service request through these channels. The services would have to be rendered by the Doorstep Banking Agents deployed by the selected service providers at 100 centres across the country.

<https://www.thehindubusinessline.com/money-and-banking/fm-unveils-doorstep-banking-services-by-psbs/article32565072.ece>

• Rajnish Kumar : 'Yono data to come in handy while running Bharat Craft'

State Bank of India (SBI) Chairman Rajnish Kumar said the Yono app is equipped with significant data that would help to run the Business-to-Business (B2B) portal Bharat Craft. The app now has 27 million registered users.

<https://indianexpress.com/article/business/banking-and-finance/rajnish-kumar-yono-data-to-come-in-hand-while-running-bharat-craft-6589745/>

• Rs. 10 trillion, or 8%, of loans will get recast under new framework : ICRA

According to a domestic rating agency ICRA, Banks and non-bank lenders will restructure up to Rs. 10 trillion in debt, or 8 per cent of outstanding loans, under the one-time restructuring scheme announced by the Reserve Bank.

https://www.business-standard.com/article/finance/rs-10-trillion-or-8-of-loans-will-get-recast-under-new-framework-icra-120090901893_1.html

❖ Market Watch

Capital Market	
S & P BSE Sensex	38840.32 (+646.40)
Nifty 50	11449.25 (+171.25)

Reference Rate			
INR / 1 USD	INR / 1 EUR	INR / 1 GBP	INR / 1 JPY
73.59 (+0.45%)	86.80 (+0.20%)	96.14 (-0.51%)	0.69 (+0.57%)

❖ **Ministry of Corporate Affairs**

New norms for Foreign Listing soon

The Ministry of Corporate Affairs is close to releasing a draft report that will pave the way for Indian companies to list their shares in overseas markets without listing in India first.

The Ministry will propose changes to the Foreign Exchange Management Act (FEMA), the Income Tax Act and the Companies Act. These will include amendments on taxing share transfers in India and adding enabling provisions under the Companies Act, 2013 to allow listing of certain classes of securities on stock exchanges in permissible foreign jurisdictions.

<https://www.livemint.com/market/stock-market-news/new-norms-for-foreign-listing-soon-11599584598799.html>

❖ **International Business**

IMF chief warns global economic crisis 'far from over'

According to IMF Chief Kristalina Georgieva, the global economy is showing signs of bouncing back from the severe downturn caused by the global coronavirus pandemic, but a full recovery is “unlikely” without a vaccine.

<https://timesofindia.indiatimes.com/business/international-business/imf-chief-warns-global-economic-crisis-far-from-over/articleshow/78023111.cms>

❖ **Business and Economic News**

- India's exports have increased 13% during the first week of September, while railway freight loading is around 10% higher, indicating signs of a pickup that augurs well for manufacturing activity.

<https://timesofindia.indiatimes.com/business/india-business/exports-rise-13-in-1st-week-of-september-railway-freight-up-10/articleshow/78029895.cms>

- A sum of Rs 10,339 crore has been released by the Ministry of Road Transport and Highways during the COVID-19 period under the simplified payment process as envisaged in the Atmanirbhar Bharat scheme.

https://www.business-standard.com/article/economy-policy/highways-ministry-releases-rs-10-000-cr-under-atmanirbhar-bharat-scheme-120091000086_1.html

- The Centre launched the Aatmanirbhar Bharat ARISE-Atal New India Challenges programme to support MSMEs and start-ups for making India innovative, resilient, tech-driven, and research and development (R&D)-oriented.

https://www.business-standard.com/article/economy-policy/govt-launches-new-aatmanirbhar-bharat-schemes-to-support-msmes-start-ups-120090901800_1.html

Prepared by Directorate of Academics

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VISION
"To be a global leader in promoting
good corporate governance"

ICSI Motto
सत्यं वद। धर्मं चर।
वचनं धर्मः प्रकृतः श्रेयते इत्युक्तेः।

MISSION
"To develop high calibre professionals
facilitating good corporate governance"

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