

Info Capsule

Wednesday
November 10, 2021

President : CS Nagendra D. Rao

Vice President : CS Devendra V. Deshpande

❖ Latest @ ICSI

Recognition to Company Secretary in Practice to provide Certificate of Compliance to RTAs (November 09, 2021)

The Securities and Exchange Board of India has bestowed upon the profession of Company Secretaries a new recognition, by authorising Company Secretary in Practice (PCS) to provide Certificate of Compliance to Registrars to an Issue and Share Transfer Agents (RTA) vide SEBI Circular dated November 03, 2021.

For details:

https://www.icsi.edu/media/webmodules/Recognition_PCS_SEB_I_Circular_09112021.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)



❖ **National Financial Reporting Authority**

Consultation Paper on Statutory Audit and Auditing Standards for Micro, Small and Medium Companies (MSMCs) – extension of last date for submission of comments to November 30, 2021 (November 9, 2021)

The last date for submission of comments on Consultation Paper on Statutory Audit and Auditing Standards for Micro, Small and Medium Companies (MSMCs) has been extended from November 10 to November 30, 2021.

For details:

<https://pib.gov.in/PressReleasePage.aspx?PRID=1770369>

❖ **Ministry of Finance**

Disposal of hazardous cargo by Indian Customs (November 8, 2021)

As part of Government's continuing commitment to public safety, the Union Minister for Finance & Corporate Affairs Smt. Nirmala Sitharaman recently reviewed the progress made by the Indian Customs in the safe disposal of imports, that are hazardous in nature and which remain uncleared or have been seized or confiscated.

For details:

<https://www.pib.gov.in/PressReleasePage.aspx?PRID=1770060>

❖ **Indirect Tax**

18% GST on insurance premium is atrocious: Former IRDAI member Nilesh Sathe (November 08, 2021)

Insurance is a necessity in India in the absence of a social security net, but the government is taxing the sector heavily even as others in the financial sector are exempted, lamented former Insurance Regulatory and Development Authority (IRDAI) member Nilesh Sathe. Sathe was the keynote speaker at the insurance round of the Business Standard BFSI Insight Summit.

For details:

https://www.business-standard.com/article/finance/18-gst-on-insurance-premium-is-atrocious-former-irdai-member-nilesh-sathe-121110801513_1.html

❖ **IFSCA**

- **International Financial Services Centres Authority (Operations of International Financial Services Centres Insurance Intermediary Offices) Guidelines, 2021 (November 1, 2021)**

The IFSCA has notified International Financial Services Centres Authority (Insurance Intermediary) Regulations, 2021 on 20th October, 2021. As per the Regulations, the Authority is required to specify certain Guidelines, Forms etc. for compliance by the IIIOs / the Applicants of IIIOs.

Accordingly, the above said Guidelines are issued to put in place a framework to address operational issues for the International Financial Services Centres Insurance Intermediary Office (IIIO) in the International Financial Services Centre (IFSC).

For details : <https://ifsc.gov.in/Viewer/Index/240>

- **GIFT Authority may be vested with overseeing crypto trading (November 10, 2021)**

The government may entrust the responsibility of overseeing crypto currency trading to Gandhi Nagar-based Gujarat International Finance Tec-City (GIFT). The government is thinking of appointing GIFT-based International Financial Services Centres Authority (IFSCA) as the regulator for crypto trading. This is after two of the country's main banking and financial market policy-making authorities — the Reserve Bank of India and SEBI — appear not very keen on regulating the crypto market.

For details:

<https://www.thehindubusinessline.com/money-and-banking/gift-authority-may-be-vested-with-overseeing-crypto-trading/article37406513.ece>

❖ **Banking and Insurance**

- **RBI lifts the business restrictions imposed on Diners Club International Ltd. (November 09, 2021)**

RBI had, by order dated April 23, 2021, imposed restrictions on Diners Club International Ltd. from on-boarding new domestic customers onto its card network from May 1, 2021 for non-compliance with the RBI circular dated April 6, 2018 on Storage of Payment System Data. In view of the satisfactory compliance demonstrated by Diners Club International Ltd. with the RBI's circular on Storage of Payment System Data, the restrictions imposed, vide order dated April 23, 2021, on on-boarding of fresh domestic customers have been lifted with immediate effect.

For details:

https://www.rbi.org.in/Scripts/BS_PressReleaseDisplay.aspx?prid=52532

- **RBI launches its First Global Hackathon - HARBINGER 2021 (November 09, 2021)**

Reserve Bank is organising its first global hackathon – “**HARBINGER 2021** – Innovation for Transformation” with the theme ‘Smarter Digital Payments’. The Hackathon invites participants to identify and develop solutions that have the potential to make digital payments accessible to the under-served, enhance the ease of payments and user experience, while strengthening the security of digital payments and promoting customer protection. Registration for the hackathon starts from November 15, 2021.

For details:

https://www.rbi.org.in/Scripts/BS_PressReleaseDisplay.aspx?prid=52533 &

<https://fintech.rbi.org.in>.

- **FM Nirmala Sitharaman to meet heads of PSBs next week; nudge them for credit expansion to boost economy (November 09, 2021)**

Finance Minister Nirmala Sitharaman is scheduled to meet heads of Public Sector Banks (PSBs) next week to review performance of the lenders and progress made by them to support the economy battered by the COVID-19 pandemic. Banks would be urged to sanction loans for productive sectors to accelerate revival of the economy.

For details:

<https://economictimes.indiatimes.com/industry/banking/finance/banking/fm-nirmala-sitharaman-to-meet-heads-of-psbs-next-week-nudge-them-for-credit-expansion-to-boost-economy/articleshow/87611387.cms>

- **Indian Bank launches video KYC facility enabled by VCIP technology (November 09, 2021)**

Public sector Indian Bank on November 09, 2021 said it has launched the Video KYC (Know Your Customer) facility, which allows an applicant to open an account from anywhere by incorporating its Video-Based Customer Identification Process (VCIP) technology, on its web-based platforms.

For details:

<https://www.financialexpress.com/industry/banking-finance/indian-bank-launches-video-kyc-facility-enabled-by-vcip-technology/2365664/>

- **Former SBI Chairman Pratip Chaudhuri gets bail (November 10, 2021)**

Former State Bank of India Chairman Pratip Chaudhuri, who was in judicial custody for nine days, was granted bail by a Jaisalmer court on November 09, 2021. Chaudhuri was sent to judicial custody for 14 days, starting November 1 after a defaulter who lost his property during a resolution process filed a complaint.

For details:

<https://www.businesstoday.in/industry/banks/story/former-sbi-chairman-pratip-chaudhuri-gets-bail-311731-2021-11-10>

❖ **International Business News**

Is India recalibrating its approach towards FTA negotiations? (November 9, 2021)

There are early signs that India may be recalibrating its approach towards PTA negotiations. The direction in which its trade policy tilts will determine the success of India's plans for export-led economic growth. It will also influence India's positions on emerging global trade issues.

For details:

<https://economictimes.indiatimes.com/news/economy/foreign-trade/is-india-recalibrating-its-approach-towards-fta-negotiations/articleshow/87599925.cms>

❖ **Market Watch**

Stock Market Indices as on 10.11.2021	
S & P BSE Sensex	60352.82 (-80.63)
Nifty 50	18017.20 (-27.05)

Foreign Exchange Rates as on 09.11.2021 <i>(https://www.geojit.com/currency-futures/rbi-reference-rate.aspx)</i>			
INR / 1 USD	INR / 1 EUR	INR / 1 GBP	INR / 1 JPY
73.98	85.61	100.01	0.65

❖ **Information Technology Law**

Aadhaar (Authentication and Offline Verification) Regulations, 2021 (November 08, 2021)

In exercise of the powers conferred by sub-section (1), and sub-clauses (a), (ba), (ca), (cb), (f), (fa), (fb) and (w) of sub-section (2) of Section 54 of the Aadhaar (Targeted Delivery of Financial and Other Subsidies, Benefits and Services) Act 2016 as amended vide the Aadhaar and Other Laws (Amendment) Act, 2019 and in supersession of the Aadhaar (Authentication) Regulations, 2016 except as respects things done or omitted to be done before such supersession, the Unique Identification Authority of India vide notification number: No. K-11020/240/2021/Auth/UIDAI (No. 2 of 2021) dated November 08, 2021, notified Aadhaar (Authentication and Offline Verification) Regulations, 2021.

The said Regulations *inter-alia* containing the chapters pertaining to; Chapter I-Preliminary and definitions, Chapter II - Aadhaar Authentication Framework, Chapter III - Appointment of Requesting Entities and Authentication Service Agencies, Chapter IV - Authentication Transaction Data and Authentication Records, Chapter V-miscellaneous provisions and two schedules etc.

For details:

<https://egazette.nic.in/WriteReadData/2021/230983.pdf>

❖ **Ethics and Governance News**

Efforts to drive low carbon development pathways in industry sector are critical for achieving the goals of the Paris Agreement : Shri Bhupender Yadav (November 09, 2021)

On the sidelines of COP 26 in Glasgow, the LeadIT (Leadership Group for Industry transition) Summit 2021 was held in hybrid mode presided by India and Sweden. Shri Bhupender Yadav, Union Minister for Environment, Forest and Climate Change, delivering the opening remarks, highlighted that industry sectors together contribute about 30% of the total CO2 emissions, and thus, efforts to drive low carbon development pathways in industry sector are critical for achieving the goals of the Paris Agreement.

For details:

<https://pib.gov.in/PressReleseDetail.aspx?PRID=1770404>

❖ **Terminology for today**

Abnormal return

Abnormal return is the difference between the actual return of a security and the expected return. Abnormal returns are sometimes triggered by “events.” Events can include mergers, dividend announcements, company earnings announcements, interest rate increases, lawsuits, etc. all of which can contribute to an abnormal return.

❖ **Business and Economic News**

• **Lenders begin voting on group insolvency of 2 Srei companies (November 08, 2021)**

Lenders of Srei Infrastructure Finance and Srei Equipment are currently voting on a proposal by administrator Rajneesh Sharma to undertake a group insolvency resolution process for both companies, said two people with knowledge of the matter. The voting, which started on November 5, will end on November 9, they said.

At the first meeting of the committee of creditors held on November 2, Sharma informed lenders that BDO India was appointed to conduct transaction audits of both companies while AZB & Partners would be the legal counsel for the administrator, one of the people said.

For details:

<https://economictimes.indiatimes.com/markets/stocks/news/lenders-begin-voting-on-group-insolvency-of-2-srei-companies/articleshow/87575039.cms>

• **KV Kamath appointed as senior advisor for KKR's Indian operations (November 09, 2021)**

Global investment firm KKR appointed veteran banker and former ICICI Bank chairman KV Kamath as senior advisor in its Indian operations effective immediately. Gaurav Trehan, Partner & CEO of KKR India, said: "We are pleased to welcome K.V. as a senior advisor to our team in India, and are excited to learn from his terrific insights as we continue to invest in the growth of India. K.V. has a truly outstanding track record of working with different stakeholders while building world-class businesses. He joins at an exciting time for KKR in India, and I am confident of the value that he will bring to our franchise and businesses."

For details:

<https://economictimes.indiatimes.com/news/company/corporate-trends/kv-kamath-appointed-as-senior-advisor-for-kkrs-indian-operations/articleshow/87602607.cms>

• **Unregulated foreign aid could harm India's sovereignty: Centre to SC (November 10, 2021)**

The Central government defended the Foreign Contribution (Regulation) Amendment Act, 2020, which introduced sweeping changes in the manner in which these donations could be used in the country, on the grounds that unregulated foreign donations could adversely impact the sovereignty of the nation. Foreign contributions, if unregulated, can cause devastating consequences to the sovereignty of the nation," Solicitor General Tushar Mehta told a bench led by Justice AM Khanwilkar, which is hearing a challenge to the government's 2020 Act. NGOs and activists argue that the law will have the effect of choking foreign donations to India.

For details:

<https://economictimes.indiatimes.com/news/india/unregulated-foreign-aid-could-harm-indias-sovereignty-centre-to-sc/articleshow/87617963.cms>

Prepared by Directorate of Academics

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