

Info Capsule

Thursday
July 14, 2022

President: CS Devendra V. Deshpande

Vice President: CS Manish Gupta

❖ Latest @ ICSI

• Registrations Open for 50th National Convention

The Institute is organizing 50th National Convention of Company Secretaries to be held during September 1-3, 2022 at Kolkata, West Bengal on the theme CS : A Vishwaguru in Governance and Sustainability. Registration for the Convention shall be through Online Mode only. Link for registration is <https://tinyurl.com/50NC-ICSI>.

For details:

https://www.icsi.edu/media/webmodules/13072022_Registrations_Open_.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)



• Online Crash Course on Decoding Financial Statements for Members of ICSI

Financial Analysis and reporting is an integral part of overall financial analysis carried out by various business organizations in India and all around the world. It depicts the financial health and helps the companies to augment their financial resources and management of generated funds efficiently. As professional, one need to use and interpret crucial financial data for making informed decisions. This online “Crash Course on Decoding Financial Statements” launched by ICSI demystifies accounting jargon and will assist in understanding financial statements and analyse them for well informed decisions.

For details:

https://www.icsi.edu/media/webmodules/14072022_ICSI FlyerDFS.pdf

• Online Crash Course on ESG Analysis (Environment, Social & Governance) for Members of ICSI

ESG stands for Environmental, Social and Governance. It refers to an organization’s governance structures, management practices and performance around its social and environmental impacts. Originally used in finance by socially conscious investors, ESG has come to be used more widely in the business world to determine a firm's commitment to making positive social and environmental change. In order to equip the members of ICSI with requisite knowledge & Skills to deal with matters related to ESG Compliances and other related legal aspects, ICSI launches first batch of Online Crash Course on ESG (Environmental, Social and Governance) Analysis.

For details:

https://www.icsi.edu/media/webmodules/14072022_ICSI FlyerESG.pdf

❖ *Securities Laws & Capital Markets*

SEBI News

- **SEBI empanels 8 entities to provide digital forensic services (July 12, 2022)**

Capital markets regulator SEBI empanelled eight entities, including Deloitte Touche Tohmatsu India LLP and Ernst & Young LLP, for providing digital forensic services. These agencies will be required to provide assistance to SEBI's search team for onsite data acquisition during search and seizure operations. They have been empanelled for providing digital forensic services to the regulator following the completion of empanelment process. The empanelment will be valid for the period of one year.

For details:

<https://economictimes.indiatimes.com/markets/stocks/news/sebi-empanels-8-entities-to-provide-digital-forensic-services/articleshow/92832507.cms>

- **SAT directs Shivinder Singh to deposit 50% of SEBI's penalty in Fortis case (July 14, 2022)**

Securities Appellate Tribunal (SAT) has directed businessman Shivinder Mohan Singh to deposit 50 per cent of the penalty imposed by SEBI within six weeks in connection with a case related to Fortis Healthcare. If the amount is deposited, then the markets regulator will not make further recovery, the Securities Appellate Tribunal (SAT) said in its order passed on July 8, 2022. The order came after a plea filed by him against the regulator's order passed in April, whereby it had slapped a fine of Rs. 5 crore each on Shivinder Mohan Singh and his brother Malvinder Mohan Singh, who were promoters of Fortis Healthcare. The case relates to the Singh brothers, along with other entities, allegedly diverting funds from Fortis Healthcare for the ultimate benefit of RHC Holding Pvt. Ltd. an entity indirectly owned and directly controlled by the erstwhile promoters.

For details:

https://www.business-standard.com/article/markets/sat-directs-shivinder-singh-to-deposit-50-of-sebi-s-penalty-in-fortis-case-122071301050_1.html

❖ *Terminology for today*

Activist Investor

An activist investor is an individual or group that buys a significant stake in a public company in order to influence how the company is run, such as by obtaining seats on its board of directors. Companies that are mismanaged, have excessive costs, could be run more profitably if taken private, or have other problems the activist investor believes they can fix are often targets for activist investors.

❖ **Direct Tax**

Income-tax (Twenty Second Amendment) Rules, 2022 [Notification No. 83 Dated July 12, 2022]

The Central Board of Direct Taxes (CBDT) has issued the Income-tax (Twenty Second Amendment) Rules, 2022 to further amend the Income-tax Rules, 1962 as follow:

- Rule 16 which specifies “Declaration under Section 158A” has been renumbered to Rule 15A
- New Rule 16 which specifies “Application under section 158AB to defer filing of appeal before the Appellate Tribunal or the jurisdictional High Court” has been inserted namely: -
“The application referred to in sub-section (2) of section 158AB, required to be made before the Appellate Tribunal or the jurisdictional High Court, as the case may be, shall be made in Form No. 8A by the Assessing Officer”
- In Appendix II a new Form 8A has been inserted

For details: <https://egazette.nic.in/WriteReadData/2022/237264.pdf>

❖ **Indirect Taxes**

Goods and Services Tax

• Prices of curd and lassi to go up as GST exemptions end (July 14, 2022)

The prices of curd, lassi and buttermilk are expected to rise as a result of the GST council's decision to eliminate the GST exemptions on repackaged, relabelled, and packaged buttermilk, curd, and lassi.

For details:

<https://economictimes.indiatimes.com/industry/cons-products/food/prices-of-curd-and-lassi-to-hike-as-gst-exemptions-end/articleshow/92867909.cms>

Customs

• Publication of Controlled Delivery (Customs) Regulations 2022 (Notification No. 59/2022- Customs (N.T.) dated July 12, 2022)

The proper officer having a reasonable belief, that a suspect consignment, is being imported into or exported out of India, in the form of the baggage or otherwise, shall file a report in FORM-I proposing to undertake controlled delivery of such consignment and the report so-filed by the proper officer, shall be put up before the specified authority for approval of undertaking such controlled delivery.

For details:

<https://egazette.nic.in/WriteReadData/2022/237263.pdf>

❖ *Insolvency and Bankruptcy*

Power to admit insolvency application not binding even when debt owed: SC (July 14, 2022)

In a breather to defaulting companies, the Supreme Court held that the provision to admit an application starting the insolvency process is not binding even when a debt is owed.

The appeal was filed by Vidarbha Industries, which is a power generating company, against the order of the National Company Law Appellate Tribunal (NCLAT). NCLAT had refused to stay the insolvency proceedings started by Axis Bank against the company.

A Bench comprising Justices Indira Banerjee and JK Maheshwari said the adjudicating authority (NCLT) failed to appreciate that the question of time-bound initiation and completion of corporate insolvency resolution process (CIRP) could only arise if the companies were bankrupt or insolvent and not otherwise. Moreover, the timeline starts ticking only from the date of admission of the application for initiation of CIRP and not from the date of filing it.

“Appellate tribunal (NCLAT) also fell in error in holding that once it was found that a debt existed and a corporate debtor was in default in payment of the debt, there would be no option to the adjudicating authority (NCLT) but to admit the petition under Section 7 of the IBC,” the bench said.

For details:

https://www.business-standard.com/article/economy-policy/power-to-admit-insolvency-application-not-binding-even-when-debt-owed-sc-122071301504_1.html

❖ *Market Watch*

Stock Market Indices as on 14.07.2022	
S & P BSE Sensex	53416.15 (-98.00)
Nifty 50	15938.65 (-28.00)

Foreign Exchange Rates as on 13.07.2022 (https://www.geojit.com/currency-futures)			
INR / 1 USD	INR / 1 EUR	INR / 1 GBP	INR / 1 JPY
79.41	79.67	94.27	0.58

Prepared by Directorate of Academics

For any suggestions, please write to academics@icsi.edu.

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Vision

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

Motto

सत्यं वद। धर्मं चर। इदमेव किं त्वापिः अनेनैव तु किं क्व।

Mission

"To develop high calibre professionals facilitating good corporate governance"

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