

# Info Capsule

Tuesday  
September 14, 2021

**President :** CS Nagendra D. Rao

**Vice President :** CS Devendra V. Deshpande

## ❖ Ministry of Corporate Affairs

### **NFRA draws conclusion on comments received on Consultation Paper on enhanced Engagement with Stakeholders (September 13, 2021)**

NFRA has identified engagement with various categories of stakeholders as central in its strategy to deliver on its public interest mandate. Accordingly, NFRA had asked its Technical Advisory Committee (TAC) to examine the issues involved and recommend steps to be taken.

The TAC submitted its report at the end of March 2021. NFRA examined the TAC's Report and its recommendations and put out a Consultation Paper in June 2021 seeking public views/suggestions on the proposed steps NFRA was planned to take in this regard. The last date for submission of comments was July 30, 2021.

NFRA has received 17 comment letters from Stakeholders, which includes important Industry Bodies, Large Accounting Firms and Research / Academia among others. Overall, stakeholders have expressed support for NFRA's proposals to proactively promote stakeholder engagement. NFRA has analysed all the public comments and has arrived at its conclusions on the way forward in respect of the issues posed in the Consultation Paper. NFRA's conclusions along with the comments received are posted on its website at: [https://nfra.gov.in/consultation\\_papers](https://nfra.gov.in/consultation_papers).

*For details:*

<https://pib.gov.in/PressReleasePage.aspx?P RID=1754568>



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## ❖ Securities Laws & Capital Markets

### **SEBI News**

### **Coffee Day Enterprises pays Rs 69 lakh to settle case with SEBI (September 11, 2021)**

Coffee Day Enterprises has paid Rs 69 lakh to settle a case, pertaining to alleged disclosure norm violations, with the SEBI. Following issuance of a show cause notice, the company filed an application dated February 18 this year for settlement under the SEBI (Settlement Proceedings) Regulations, 2018.

One of the allegations against the company was that no limited review report was placed before the board of directors at its meetings dated November 13, 2019 and January 29, 2020 wherein the financial results for the quarters ending June 30, 2019 and September 30, 2019 were approved, respectively. Further, the company submitted unaudited financial results for the quarters ended June 30, 2019 and September 30, 2019, but the same were not subjected to limited review by its statutory auditors.

*For details:*

<https://www.moneycontrol.com/news/business/coffee-day-enterprises-pays-rs-69-lakh-to-settle-case-with-sebi->

## ❖ Terminology for today

### **Novation**

Novation is the replacement of one of the parties in an agreement between two parties, with the agreement of all three parties involved. To novate is to replace an old obligation with a new one.

For example, a supplier who wants to relinquish a business customer might find another source for the customer. If all three agree, the contract can be torn up and replaced with a new contract that differs only in the name of the supplier. The old supplier relinquishes all rights and obligations of the contract to the new supplier.

## ❖ **Banking and Insurance**

### • **Application for Aadhaar e-KYC Authentication Licence (September 13, 2021)**

In terms of Section 11A of the Prevention of Money Laundering Act, 2002, entities other than banking companies may, by notification of the Central Government, be permitted to carry out authentication of client's Aadhaar number using e-KYC facility provided by the Unique Identification Authority of India (UIDAI). A detailed procedure for processing of applications under the aforementioned Section for use of Aadhaar authentication services by entities other than banking companies has been provided by the Department of Revenue, Ministry of Finance.

Accordingly, Non-Banking Finance Companies (NBFCs), Payment System Providers and Payment System Participants desirous of obtaining Aadhaar Authentication License - KYC User Agency (KUA) License or sub-KUA License (to perform authentication through a KUA), issued by the UIDAI, may submit their application to this Department for onward submission to UIDAI.

*For details: <https://www.rbi.org.in/Scripts/NotificationUser.aspx?Id=12161&Mode=0>*

### • **Extension of timelines for sale and renewal of short term Covid specific Health Insurance Policies (September 13, 2021)**

Reference is invited to the short term Covid specific health insurance policies permitted to be offered by all Insurers. All insurers are permitted to offer and renew short term Covid specific health policies up to 31.03.2022. Accordingly, Corona Kavach Policies offered as per Guidelines on Covid Standard Indemnity based Health Policy and Corona Rakshak Policies offered as per Guidelines on Covid Standard benefit based Health Policy are also permitted to be offered and renewed by all insurers up to 31.03.2022.

*For details:*

*[https://www.irdai.gov.in/ADMINCMS/cms/whatsNew\\_Layout.aspx?page=PageNo4562&flag=1](https://www.irdai.gov.in/ADMINCMS/cms/whatsNew_Layout.aspx?page=PageNo4562&flag=1)*

### • **Issuance of Electronic Policies and Dispensing with physical documents and wet signature on the proposal form (September 13, 2021)**

The exemptions granted for issuance of electronic policies as well as dispensing with physical document and wet signature have been extended upto the period 31/03/2022.

*For details:*

*[https://www.irdai.gov.in/ADMINCMS/cms/whatsNew\\_Layout.aspx?page=PageNo4563&flag=1](https://www.irdai.gov.in/ADMINCMS/cms/whatsNew_Layout.aspx?page=PageNo4563&flag=1)*

### • **Six entities complete test phase in 'First Cohort' under RBI's regulatory sandbox scheme (September 13, 2021)**

The Reserve Bank on Monday, September 13, 2021 said six entities have completed the test phase in the 'First Cohort' under the Regulatory Sandbox scheme with retail payments as theme and their products are found viable for adoption by the regulated entities. Their products mainly deal with offline digital payments, prepaid cards, contactless payment and voice-based UPI.

*For details:*

*<https://www.financialexpress.com/industry/banking-finance/six-entities-complete-test-phase-in-first-cohort-under-rbis-regulatory-sandbox-scheme/2329526/>*

- **India, Singapore launch project to link UPI and PayNow for instant fund transfers (September 14, 2021)**

India and Singapore will link their respective fast payment systems, i.e., Unified Payments Interface (UPI) and PayNow to enable users to make instant, low-cost fund transfers on a reciprocal basis, the Reserve Bank (RBI) said on Tuesday, September 14, 2021.

For details:

<https://economictimes.indiatimes.com/industry/banking/finance/banking/india-singapore-launch-project-to-link-upi-and-paynow-for-instant-fund-transfers/articleshow/86191340.cms>

### ❖ **International Business News**

- **Enormous scope for tie-up between foreign and Indian companies in space sector : ISRO Chief K Sivan (September 13, 2021)**

While speaking at the International Space Conference organised by the Confederation of Indian Industry (CII) on Monday, September 13, 2021, ISRO Chairman, K Sivan stated that the reforms initiated by the government in the space sector and the liberalisation of FDI norms will ensure a sustained engagement between Indian and overseas companies.

For details:

<https://www.newindianexpress.com/nation/2021/sep/13/enormous-scope-for-tie-up-between-foreign-and-indian-companies-in-space-sector-isro-chief-k-sivan-2358192.html>

### ❖ **Market Watch**

<b>Stock Market Indices as on 14.09.2021</b>	
S & P BSE Sensex	58247.09 (+69.33)
Nifty 50	17380.00 (+24.70)

<b>Foreign Exchange Rates as on 13.09.2021</b> ( <a href="https://www.geojit.com/currency-futures/rbi-reference-rate">https://www.geojit.com/currency-futures/rbi-reference-rate</a> )			
INR / 1 USD	INR / 1 EUR	INR / 1 GBP	INR / 1 JPY
73.31	86.58	101.40	0.67

**Prepared by Directorate of Academics**

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