

Info Capsule

Wednesday
September 14, 2022

President

CS Devendra V. Deshpande

❖ IFSCA

IFSCA Issued Guidelines and Application Form for IFSCA FinTech Incentive Scheme, 2022(September 12, 2022)

The International Financial Services Centres Authority (IFSCA) launched the IFSCA (FinTech Incentive) Scheme for providing financial support to FinTech activities in the form of specific grant(s). The Scheme was notified vide Gazette Notification dated 2nd February, 2022.

Now, the detailed Guidelines of the Scheme for implementation as well as the Application Form have also been issued and may be accessed at

<https://ifsc.gov.in/Viewer/Index/343>

For details:

<https://ifsc.gov.in/Viewer/PresReleases/344>



**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 Master Circular

• Master Circular on Surveillance of Securities Market (September 13, 2022)

In order to ensure availability of comprehensive information mentioned in the circulars pertaining to Surveillance of Securities Market at one place, SEBI has been issuing Master Circular. This circular covers various circulars issued till August, 31, 2022 by Integrated Surveillance Department. This Master Circular shall supersede previous Master Circular No. SEBI/HO/ISD/ISD/CIR/P/2021/22 dated March 01, 2021.

For details:

https://www.sebi.gov.in/legal/master-circulars/sep-2022/master-circular-on-surveillance-of-securities-market_62914.html

SEBI News

• SEBI mulls framework for market making to deepen bond markets (September 13, 2022)

With over 98 per cent of corporate bonds being private placements, leading to a shallow secondary market, SEBI is planning to come out with a framework for market-making to help markets become more vibrant and funds cheaper, a SEBI member said. Concerted efforts by regulators and government have seen corporate bond outstanding touching Rs 40.20 lakh crore in FY22 from Rs 10.51 lakh crore in FY12, while the secondary market is about 30 per cent of this. Annual issuances during this period have increased from Rs 3.80 lakh crore to close to Rs 6 lakh crore.

For details:

https://www.business-standard.com/article/markets/sebi-mulls-farmework-for-market-making-to-deepen-bond-markets-122091301076_1.html

❖ **Banking and Insurance**

• **Loan waiver not a benefit, banks exempt from 10% TDS for one-time settlement (September 13, 2022)**

Banks will not be required to deduct 10% tax at source (TDS) on One-Time Settlement (OTS) or loan waivers, the Central Board of Direct Taxes (CBDT) said on September 13, 2022. The exemption will be available to all public financial institutions, scheduled banks, cooperative banks, rural development banks, state financial corporations, and state industrial investment corporations.

For details:

<https://economictimes.indiatimes.com/industry/banking/finance/banking/loan-waiver-not-a-benefit-banks-exempt-from-10-tds-for-one-time-settlement/articleshow/94185009.cms>

• **Chip shortage impacts banks' card issuance, likely to trigger CCI probe (September 14, 2022)**

A representation made by Indian Banks Association (IBA) to the government is likely to trigger a Competition Commission of India (CCI) probe into alleged cartelization by chip suppliers, which is seen to be hampering card issuance by banks. The trigger for the representation arose out of the difficulty faced by banks in providing RuPay cards to account holders under Pradhan Mantri Jan Dhan Yojana (PMJDY) which aims to expand affordable access to financial services such as bank accounts, remittances, credit, insurance and pensions.

For details:

<https://www.thehindubusinessline.com/money-and-banking/chip-shortage-impacts-banks-card-issuance-likely-to-trigger-cci-probe/article65882060.ece>

• **RTI disclosure of sensitive info will breach right to privacy: Banks tell SC (September 14, 2022)**

Lenders, including SBI, PNB and HDFC Bank, on September 13, 2022 vehemently opposed any disclosure of their “highly confidential and sensitive” inspection and risk assessment reports under the Right to Information Act (RTI), saying this would amount to invasion of right to privacy of their lenders and customers, shareholders and employees. The Reserve Bank of India (RBI) supported the banks’ argument. The apex court had, in February 2021, revived its 2015 judgment making it necessary for RBI to disclose financial information related to private and public banks under the RTI Act.

For details:

<https://www.financialexpress.com/industry/banking-finance/rti-disclosure-of-sensitive-info-will-breach-right-to-privacy-banks-tell-sc/2665786/>

❖ ***Insolvency and Bankruptcy***

• **IBBI Circular-Details of matters pending with Supreme Court of India and various High Courts (September 13, 2022)**

Of late, it has been observed that in a few matters Hon'ble Supreme Court and several High Courts have considered and delivered judgements wherein stand of Union of India (MCA) or IBBI remained unrepresented since both these institutions were not a party in the concerned proceedings. This matter is of great concern as in some of such cases scheme of the Code was in question which required to defended earnestly. While we are trying to retrieve the situation through further legal recourse, our apprehension is that there could be many more such important matters pending or might arise in future.

Insolvency Professionals are advised to inform IBBI without any delay about any important issues relating to vires, interpretation and applicability of the provisions of the Code, Rules and Regulations made thereunder are being contested before the High Courts and the Supreme Court of India, in respect of any assignment handled by them as on date. Further, the information as above shall be submitted by Insolvency Professionals as and when any such case is filed before Supreme Court and High Courts.

For pending cases, the case papers with issues involved in brief shall be forwarded to IBBI at the email legal.proceeding@ibbi.gov.in by September, 2022 and for any future case promptly when the case comes to notice/ knowledge of the Insolvency Professional.

For details:

<https://ibbi.gov.in/uploads/legalframework/017e888faf88f38d3f7caa2aabc7efed.pdf>

• **The Insolvency and Bankruptcy Board of India (Insolvency Professionals) (Second Amendment) Regulations, 2022 (September 13, 2022)**

The Insolvency and Bankruptcy Board of India (IBBI) vide its notification dated September 13, 2022 has notified "the Insolvency and Bankruptcy Board of India (Insolvency Professionals) (Second Amendment) Regulations, 2022" which shall come into force on the date of its publication in the Official Gazette. According to the amendment Clause 26A has been inserted in the first schedule of the regulations stating that, "an insolvency professional shall not accept /share any fees or charges from any professional and/or support service provider who are appointed under the processes".

For details:

<https://ibbi.gov.in/uploads/legalframework/8a614479d5c2b8each205e226f5e841a.pdf>

- **The Insolvency and Bankruptcy Board of India (Insolvency Resolution Process for Corporate Persons) (Third Amendment) Regulations, 2022 (September 13, 2022)**

The Insolvency and Bankruptcy Board of India (IBBI) vide its notification dated September 13, 2022 has notified "the Insolvency and Bankruptcy Board of India (Insolvency Resolution Process for Corporate Persons) (Third Amendment) Regulations, 2022" which shall come into force on the date of its publication in the Official Gazette. According to the amendment Regulation 34B has been inserted in the principle regulations stating the provisions pertaining to fee to be paid to interim resolution professional and resolution professional.

Further, Schedule II has been inserted defining the minimum fixed fee, period for minimum fixed fee, performance-linked incentive fee for timely resolution and performance-linked incentive fee for value maximization etc.

For details:

<https://ibbi.gov.in/uploads/legalframework/7c96f51884d5ad840f4a7af0d6bba604.pdf>

❖ Market Watch

Stock Market Indices as on 14.09.2022

S & P BSE Sensex	60346.97 (-224.11)
Nifty 50	18003.75 (-66.30)

Foreign Exchange Rates as on 13.09.2022

(<https://www.geojit.com/currency-futures>)

INR / 1 USD	INR / 1 EUR	INR / 1 GBP	INR / 1 JPY
79.39	80.34	92.60	0.56

Prepared by Directorate of Academics

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

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