

Info Capsule

Tuesday
September 15, 2020

President : CS Ashish Garg

Vice President : CS Nagendra D. Rao

❖ Latest @ ICSI

The All India Company Law Quiz for Students of ICSI

The ICSI is organising an All India Company Law Quiz-2020 for CS students. The Registration for the quiz is open from September 15, 2020 till September 30, 2020.

https://www.icsi.edu/media/webmodules/ICSI_Flyer_Quiz.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 Law & Capital Market**

• **SEBI Notification**

SEBI, having considered the application for renewal of recognition made under Section 3 of the Securities Contracts (Regulation) Act, 1956 by Metropolitan Stock Exchange of India Limited and being satisfied that it would be in the interest of trade and also in the public interest so to do, grants renewal of recognition to the said Exchange under section 4 of the said Act for a period of one year commencing on the 16th day of September, 2020 and ending on the 15th day of September, 2021. The Exchange shall comply with conditions as may be prescribed by SEBI from time to time.

<http://egazette.nic.in/WriteReadData/2020/221683.pdf>

• **SEBI Exemption Order**

SEBI granted exemption to the Proposed Acquirer, viz. Saravana Global Holdings Limited, from complying with the requirements of Regulations 3 and 4 of the Takeover Regulations with respect to the proposed acquisitions in the Target Company viz. Indo Asia Finance Limited, by way of the proposed transactions. The exemption was granted, solely from the perspective of fulfilling the regulatory capital requirements without, at the same time, jeopardizing the interests of the public shareholders. Further, the exemption granted above is limited to the requirements of making open offer under the Takeover Regulations and shall not be construed as exemption from the disclosure requirement.

https://www.sebi.gov.in/enforcement/orders/sep-2020/exemption-order-under-regulation-11-5-of-sebi-sast-regulations-2011-in-the-matter-of-indo-asia-finance-limited_47550.html

• **SEBI in News**

SEBI gives flexibility to mutual funds to comply with new multi cap rules. SEBI is open to examine any proposals from the industry received in this regards. Mutual fund managers ask investors not to make any investment decision in haste.

<https://www.livemint.com/mutual-fund/mf-news/sebi-gives-flexibility-to-mutual-funds-to-comply-with-new-multi-cap-rules-11600046510813.html>

❖ **Direct Taxes**

• **Measures to promote growth, investment and create new employment opportunities through amendments in the Income Tax Act 1961**

In September 2019, the Government announced several measures to promote growth, investment and create new employment opportunities through the amendments in the Income-tax Act, 1961 and the Finance Act (No. 2), 2019. These measures were taken to promote growth and investment, simplify the taxation procedure, boost the 'Make-in-India' initiative of the Government, create new employment opportunities, make the corporate sector globally competitive and enable corporations to support research and development.

Subsequently, structural reforms were announced as part of the Aatma Nirbhar Bharat Package (ANBP) which, inter alia, includes change in definition of MSMEs, collateral-free automatic loans for businesses including MSMEs, subordinate debt for stressed MSMEs and equity infusion for MSMEs through Fund of Funds. The measures taken under the ANBP are to bolster growth, investment and create employment opportunities.

<https://www.pib.gov.in/PressReleasePage.aspx?PRID=1654096>

• **Measures taken by Government to reform Direct Tax regime**

Over the last few years, in order to provide a non-intrusive and non-adversarial tax ecosystem, the Government has taken various measures to reform the Direct Tax regime. In August 2020, Government has launched 'Transparent Taxation–Honouring the Honest, which is a platform to meet the requirements of the 21st century taxation system. The platform has major reforms like Faceless Assessment, Faceless Appeal and Taxpayers Charter. Similar Scheme will be introduced for disposal of appeals by the Commissioner (Appeals) in a faceless manner.

<https://www.pib.gov.in/PressReleasePage.aspx?PRID=1654095>

❖ **Indirect Tax**

Goods and Services Tax updates

• **GST-n-You Creative Contest**

GSTN provides an online platform for its 1.23 Cr. taxpayers for performing their GST related compliances. The stakeholders include taxpayers, tax-consultants, IT-firms, Chartered Accountants, Account professionals and the general public. GSTN intends to directly engage with the stakeholders, encourage creative thinking and obtain an insight into the perspective of stakeholders and places where GSTN can improve its delivery of service.

https://tutorial.gst.gov.in/downloads/news/participateingst_creative_contestbygst.pdf

❖ **Market Watch**

Capital Market	
S & P BSE Sensex	39044.35 (+287.72)
Nifty 50	11531.75 (+91.70)

Reference Rate			
INR / 1 USD	INR / 1 EUR	INR / 1 GBP	INR/ 1 JPY
73.29 (-0.06%)	86.81 (0.00%)	93.76 (-1.07%)	0.69 (-0.10%)

❖ **Banking and Insurance**

• **Banking Regulation (Amendment) Bill 2020 introduced in Lok Sabha**

Finance minister Nirmala Sitharaman introduced the Banking Regulation (Amendment) Bill Ordinance, 2020, during the first day of the monsoon session of Parliament on Monday. The amendments, which were part of the Banking Regulation (Amendment) Ordinance, promulgated on June 26, was aimed at bringing urban and multi-state cooperative banks under the ambit of the Reserve Bank of India (RBI) regulation. The decision was taken in light of the deteriorating financial position of such cooperatives and to protect deposit holders for any fallout of the impact of the pandemic.

<https://economictimes.indiatimes.com/industry/banking/finance/banking/banking-regulation-amendment-bill-introduced-in-lok-sabha/articleshow/78105779.cms>

• **RBI asks banks to fully automate NPA recognition process**

The Reserve Bank of India has mandated banks to fully automate NPA classification and provisioning calculation process. All borrower accounts will be covered under the new regime. Lenders will have time till June 30, 2021 to complete this process.

<https://economictimes.indiatimes.com/industry/banking/finance/banking/rbi-asks-banks-to-fully-automate-npa-recognition-process/articleshow/78106285.cms>

• **Banks' NPAs in large industry, services fall 31% in over two years to Rs 4.36 lakh crore**

As per Reserve Bank of India (RBI) data on domestic operations, NPAs of scheduled commercial banks pertaining to large industry and services have come down to Rs 4,36,492 crore as on June 30, 2020 (provisional) from Rs 6,35,971 crore as on March 31, 2018, registering a decline of 31 per cent. A number of steps have been taken for recovery of loans from the corporate houses, which enabled the banks to recover Rs 5,48,749 crore during the last five financial years.

<https://economictimes.indiatimes.com/industry/banking/finance/banking/banks-npas-in-large-industry-services-fall-31-in-over-two-years-to-rs-4-36-lakh-crore/articleshow/78107456.cms>

• **Central Bank of India reduces MCLR by 5 bps**

Central Bank of India has reduced its marginal cost of funds-based lending rates (MCLR) by 5 basis points (bps) across all tenors, effective from Tuesday. One-year MCLR has cut to 7.10 per cent from 7.15 per cent. Overnight and one-month MCLR have been reduced to 6.55 per cent from 6.60 per cent earlier. The new three-month and six month MCLR will stand at 6.85 per cent and 7 per cent, respectively.

<https://economictimes.indiatimes.com/industry/banking/finance/banking/central-bank-of-india-reduces-mclr-by-5-bps/articleshow/78109169.cms>

• **Covid-19 insurance claims cross Rs 3000 cr**

General insurance companies in India continue to witness increasing number of claims for coronavirus treatment. Officials in the insurance industry said insurers had received around 2.07 lakh claims amounting to over Rs 3,300 crore. Insurance companies have settled over 1.30 lakh claims amounting to Rs 1,260 crore as on September 10. Maharashtra tops the list, where insurance companies have received over 84,400 claims amounting to Rs 1,076 crore.

<https://www.financialexpress.com/money/insurance/covid-19-insurance-claims-cross-rs-3000-cr/2083374/>

❖ **Business and Economic News**

• **Regulator Telecom Regulatory Authority of India (TRAI) ruled out any immediate regulatory intervention for OTT communication services like Whatsapp, Google Duo and Viber, and said time is not opportune to recommend a comprehensive regulatory framework for them - dashing hopes of telcos that had been pushing for same rules to be applied to such players.**

https://www.business-standard.com/article/companies/trai-rules-out-intervention-for-ott-services-coai-says-issues-unaddressed-120091401693_1.html

• **Fiscal deficit may hit 8% of FY21 GDP on additional govt. borrowing.**

https://www.business-standard.com/article/economy-policy/fiscal-deficit-may-hit-8-of-fy21-gdp-on-additional-govt-borrowing-experts-120091400814_1.html

• **It's a wage, not labour, crises: Three Lessons for reforming India's Labour Laws.**

<https://economictimes.indiatimes.com/news/economy/policy/its-a-wage-not-labour-crisis/articleshow/78093980.cms>

Prepared by Directorate of Academics

For any suggestions, please write to academics@icsi.edu, or call at 01204082269

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