

Info Capsule

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**THE INSTITUTE OF
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भारतीय कम्पनी सचिव संस्थान
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❖ *Ministry of Finance*

Finance Minister Smt. Nirmala Sitharaman attends Plenary Meeting of the International Monetary and Financial Committee (IMFC) of the IMF in Washington D.C. (October 15, 2021)

Union Minister for Finance & Corporate Affairs Smt. Nirmala Sitharaman attended the Plenary Meeting of the International Monetary and Financial Committee of the Board of Governors of the International Monetary Fund (IMF) at the Annual Meetings 2021 held in Washington D.C. on 14th October 2021. The meeting was attended by Governors/Alternate Governors representing 190-member countries of the IMF.

For details:

<https://pib.gov.in/PressReleasePage.aspx?PRID=1764103>

❖ *Securities Laws & Capital Market*

SEBI Circulars

- **Streamlining issuance of SCORES Authentication for companies intending to list their securities on SEBI recognized stock exchanges (October 14, 2021)**

SEBI has introduced an online mechanism for obtaining SCORES (SEBI Complaints Redress System) credentials for all companies intending to list their securities on SEBI recognised stock exchanges. In view of the same, companies are no longer required to submit a physical copy of Form-A or e-mail the same to SEBI, as provided in a circular dated December 18, 2014. This has been done as part of the SEBI green initiative and to streamline the redressal of investor grievances against companies before listing. SCORES is a platform designed to help investors lodge their complaints pertaining to the securities market online with SEBI against listed companies and SEBI-registered intermediaries. All complaints received are dealt through SCORES.

For detail:

https://www.sebi.gov.in/legal/circulars/oct-2021/streamlining-of-issuance-of-scores-authentication_53291.html

- **Revised Formats for Limited Review/ Audit Report for issuers of non-convertible securities (October 14, 2021)**

SEBI has issued revised formats for limited review report and audit reports to be submitted by listed entities that have listed their non-convertible securities. The revised formats are for limited review and audit reports for banks and NBFCs as well as other entities, excluding insurance companies. Insurance companies would disclose limited review/ audit reports as per the formats specified by IRDAI.

For details:

https://www.sebi.gov.in/legal/circulars/oct-2021/revised-formats-for-limited-review-audit-report-for-issuers-of-non-convertible-securities_53279.html

SEBI News

- **SEBI forms 4-member high powered advisory committee on settlement orders (October 16, 2021)**

Capital Markets regulator SEBI has constituted a four-member high powered advisory committee on settlement orders and compounding of offences. The committee will be chaired by Vijay C Daga, retired judge of High Court of Bombay. The panel will work as per the Settlement Proceedings Regulations, 2018 specified by the regulator. Under the settlement mechanism, an alleged wrongdoer can settle a pending case with the regulator without admission or denial of guilt by paying a settlement fee. In September, SEBI had proposed to overhaul the rule governing consent settlements to make the system more effective.

For details:

https://www.business-standard.com/article/markets/sebi-forms-4-member-high-powered-advisory-committee-on-settlement-orders-121101500580_1.html

❖ Market Watch

Stock Market Indices as on 18.10.2021

S & P BSE Sensex	61765.59 (+459.64)
Nifty 50	18477.05 (+138.50)

Foreign Exchange Rates as on 14.10.2021

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

INR / 1 USD	INR / 1 EUR	INR / 1 GBP	INR/ 1 JPY
75.24	87.03	102.56	0.66

❖ **Indirect Tax**

Goods and Services Tax

• **Availability of Input Tax Credit (ITC) for FY 2020-21 (October 17, 2021)**

As per Section 16(4) of CGST Act, 2017, no taxpayer shall take input tax credit in respect records (invoices and debit notes) for supply of goods or services (or both) for Financial Year 2020-21 after the due date of furnishing the return for the month of September 2021. The due date for the GSTR-3B for September 2021 is either 20th October 2021 for monthly filers and 22nd or 24th October 2021 depending on the State/UT of registration of the taxpayer. In view of the same, the following may kindly be noted:

- (ii) Records (invoice or debit notes) pertaining to Financial Year 2020-21 reported in GSTR-1 after due date of GSTR-3B of September 2021 will not reflect as “ITC Available” in GSTR-2B of the recipients. Such records will reflect in “ITC Not Available” section of GSTR-2B and such ITC shall in turn not be auto-populated in GSTR-3B.
- (iii) Records (invoice or debit notes) pertaining to Financial Year 2020-21 reported in GSTR-1 after due date of GSTR-3B of September 2021 will also not reflect as “ITC as per GSTR-2A” in Table-8A of GSTR-9 of the recipients.

For details:

<https://www.gst.gov.in/newsandupdates/read/509>

❖ **Banking and Insurance**

NARCL : Bad bank to soon bring more directors on board (October 17, 2021)

The National Asset Reconstruction Company (NARCL) better known as bad bank will soon bring more directors on board for better corporate governance. The move aims to ensure fair representation of shareholders as well. In the beginning of this month, the Reserve Bank of India had given licence to the ₹6,000 crore NARCL led by public sector banks with 51 per cent stake in the entity. There would be shareholders' representation from the private sector banks' side, which will have 49 per cent.

For details:

<https://www.livemint.com/industry/banking/narcl-bad-bank-to-soon-bring-more-directors-on-board-11634461601346.html>

❖ ***Ethics and Governance News***

Zee dismisses Invesco charge of corporate misgovernance (October 14, 2021)

Zee Entertainment Enterprises Ltd refuted American fund manager Invesco's allegations of corporate misgovernance and that its board is acting in a non-transparent manner. The Mumbai-based media group said Invesco's actions over the past few weeks and open letters seem to be "motivated by concerns entirely extraneous to any corporate governance issue".

For details:

<https://www.livemint.com/companies/news/zee-dismisses-invesco-charge-of-corporate-misgovernance-11634153328708.html>

❖ ***Business and Economic News***

• **Boiler Accident Inquiry Rules, 2021 (October 14, 2021)**

Department for Promotion of Industry & Internal Trade vide notification dated October 14, 2021 issued Boiler Accident Inquiry Rules, 2021 containing the provisions related to inquiry of accidents caused, constitution of inquiry committee, procedure during the inquiry, format of report of preliminary inquiry of the accident to Boiler etc.

For details:

<https://egazette.nic.in/WriteReadData/2021/230449.pdf>

• **Zee chief Punit Goenka questions Invesco's silence over RIL offer (October 15, 2021)**

Zee Entertainment Enterprises questioned the silence of its largest investor, Invesco, over the merger deal pitched by the fund in February and its lack of corporate governance while seeking to change the board of the company. In a letter, Zee Managing Director and Chief Executive Punit Goenka asked why Invesco was silent when it made the extraordinary general meeting requisition about its role as an investment banker.

For details:

https://www.business-standard.com/article/companies/zee-chief-punit-goenka-questions-invesco-s-silence-over-ril-offer-121101401052_1.html

❖ *Terminology for today*

Contingent Deferred Sales Charge (CDSC)

An investment company may collect this fee if an investor withdraw money from his investment early in the contract. It compensates the company for the high cost they incur when setting up investor's account. The CDSC typically goes down over time, and goes away altogether when an investor reach the defined period for the contract.

Prepared by Directorate of Academics

For any suggestions, please write to academics@icsi.edu, or call at 01204082116

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