

# Info Capsule

Tuesday  
October 20, 2020

**President : CS Ashish Garg**

**Vice President : CS Nagendra D. Rao**

## ❖ Latest @ ICSI

### **Schedule of Online Doubt Clearing Classes for students appearing in December 2020, Examination (October 19, 2020)**

The ICSI has announced the schedule for Online Doubt Clearing classes for the following subjects:

- Fundamentals of Accounting & Auditing [Foundation Programme] - (from October 20, 2020 to October 31, 2020).
- Corporate and Management Accounting [Module II- Executive Programme (N/S)]- (from October 20, 2020 to October 26, 2020).
- Corporate Restructuring, Insolvency, Liquidation & Winding-up [Module II- Professional Programme (N/S)]- (from October 20, 2020 to October 26, 2020).

For details:

[https://www.icsi.edu/media/webmodules/Fundamentals\\_of\\_Accounting\\_and\\_Auditing.pdf](https://www.icsi.edu/media/webmodules/Fundamentals_of_Accounting_and_Auditing.pdf)

[https://www.icsi.edu/media/webmodules/Corporateand\\_Management\\_Accounting.pdf](https://www.icsi.edu/media/webmodules/Corporateand_Management_Accounting.pdf)

[https://www.icsi.edu/media/webmodules/Corporate\\_Restructuring\\_Insolvency\\_Liquidation\\_&\\_Winding\\_up.pdf](https://www.icsi.edu/media/webmodules/Corporate_Restructuring_Insolvency_Liquidation_&_Winding_up.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

### • SEBI Circulars

#### **Utilization of Fund Created out of the Regulatory Fee forgone by SEBI – Additional Guidelines (October 19, 2020)**

Due to low participation by Farmers / FPOs in agricultural commodity derivatives market coupled with the challenges posed by the pandemic situation, a sizeable portion of the fund, created out of the regulatory fee so forgone by SEBI, has remained unutilized. Based on the recommendations of Commodity Derivatives Advisory Committee (CDAC), it has been decided to permit the Stock Exchanges to utilize the said fund for the additional activities as provided under this circular. The Stock Exchanges can revise their action plan for utilisation of regulatory fee foregone by SEBI for FY 2020-21 incorporating the above mentioned activities and the revised plan, if any, shall be disseminated on their website.

For details: [https://www.sebi.gov.in/legal/circulars/oct-2020/utilization-of-fund-created-out-of-the-regulatory-fee-forgone-by-sebi-additional-guidelines\\_47897.html](https://www.sebi.gov.in/legal/circulars/oct-2020/utilization-of-fund-created-out-of-the-regulatory-fee-forgone-by-sebi-additional-guidelines_47897.html)

### • SEBI Press Release

#### **SEBI constitutes 'Market Data Advisory Committee' to step up efforts for 'Data Culture' through 'Data Democratization' in the Indian securities market (October 19, 2020)**

SEBI has constituted a Market Data Advisory Committee (MDAC) – a Standing Committee – to, inter-alia, recommend appropriate policy for access to securities market data, identify segment wise data perimeters, data needs and gaps, recommend data privacy and data access regulations applicable to market data, etc. The

Committee chaired by Ms. Madhabi Puri Buch, Whole Time Member, SEBI has CEOs of stock exchanges and depositories, representatives of various stakeholders and senior officials of SEBI as members. MDAC is part of SEBI's initiatives to make shareable data on the Indian securities market, available for researchers, policy makers, general public alike and to enhance the quality of such data.

*For details:*

[https://www.sebi.gov.in/media/press-releases/oct-2020/sebi-steps-up-efforts-for-data-culture-through-data-democratization-in-the-indian-securities-market-constitutes-market-data-advisory-committee-\\_47898.html](https://www.sebi.gov.in/media/press-releases/oct-2020/sebi-steps-up-efforts-for-data-culture-through-data-democratization-in-the-indian-securities-market-constitutes-market-data-advisory-committee-_47898.html)

## **SEBI Notifications**

- **Securities and Exchange Board of India (Alternative Investment Funds) (Amendment) Regulations, 2020 (October 19, 2020)**

SEBI has notified the SEBI (Alternative Investment Funds) (Amendment) Regulations, 2020 which shall come into force on the date of their publication in the Official Gazette i.e. October 19, 2020. The amendments, inter-alia, provide that the Manager shall be responsible for investment decisions of the Alternative Investment Fund. The Manager may constitute an Investment Committee (by whatever name it may be called), to approve investment decisions of the Alternative Investment Fund, subject to the prescribed conditions under said notification.

*For details:*

<http://egazette.nic.in/WriteReadData/2020/222560.pdf>

- **Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices Relating to Securities Market) (Second Amendment) Regulations, 2020 (October 19, 2020)**

SEBI has notified the SEBI (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Market) (Second Amendment) Regulations, 2020 which shall come into force on the date of their publication in the Official Gazette i.e. October 19, 2020. An explanation has been inserted in regulation 4, which provides that *"For the removal of doubts, it is clarified that any act of diversion, misutilisation or siphoning off of assets or earnings of a company whose securities are listed or any concealment of such act or any device, scheme or artifice to manipulate the books of accounts or financial statement of such a company that would directly or indirectly manipulate the price of securities of that company shall be and shall always be deemed to have been considered as manipulative, fraudulent and an unfair trade practice in the securities market."*

*For details:*

<http://egazette.nic.in/WriteReadData/2020/222561.pdf>

## ❖ **Banking & Insurance**

- **Transmission lower at weakly-capitalised banks during easing cycle, says RBI report (October 19, 2020)**

Banks with higher capital ratios transmit monetary policy actions more smoothly than banks with lower capital base. Given that the chunk of the banking sector lending pertains to public sector banks and they do not have excess capital, it is difficult for them to extend credit without improving their capital position during the downturn of the current business cycle. Despite the RBI's easing policy since 2014 (except for two intermittent rate hikes in 2018), credit growth has not picked up in the past few years, signalling weakening of bank lending channel of monetary policy transmission.

*For details:*

<https://www.thehindubusinessline.com/money-and-banking/transmission-lower-at-weakly-capitalised-banks-during-easing-cycle-says-rbi-report/article32893176.ece>

- **High inflation, low interest rates hit household savings (October 19, 2020)**

Millions of households are staring at negative returns from their savings with inflation peaking at more than 7% in September and any further cut in key policy rates is expected to aggravate the situation. This has created an alarming situation for households that are already facing growing financial insecurity as a result of the widespread disruptions caused by the pandemic.

*For details :*

<https://www.livemint.com/industry/banking/high-inflation-low-interest-rates-hit-household-savings-11603066600819.html>

- **ESIC extends deadline till June 30 next year for workers to avail the unemployment benefit (October 17, 2020)**

The Employees' State Insurance Corporation (ESIC) has extended the deadline by a year till June 30, 2021 for workers to avail the unemployment benefit. The Atal Bimit Vyakti Kalyna Yojna was launched in June 2018 for two years on a pilot basis. Under the scheme, unemployment benefit is paid to the workers covered under ESI Scheme. The benefit under the scheme can now be availed till June 30, 2021.

*For details:*

<https://www.financialexpress.com/money/insurance/esic-extends-deadline-till-june-30-2021-for-workers-to-avail-the-unemployment-benefit/2107495/>

## ❖ Business & Economic News

### • Business activity resumption nears pre-Covid levels (October 20, 2020)

Economic activity in India has returned almost to pre-Covid levels, suggests an index that tracks the economy's recovery from the pandemic's impact, riding a sharp rise in mobility as the festival season rolled in. The Nomura India Business Resumption Index (NIBRI), a weekly tracker.

For details

<https://live24x7.news/business-activity-resumption-nears-pre-covid-levels/>

## ❖ Direct Tax

### Notification No. 83 (October 19, 2020)

The Central Government vide Notification No. 83 Dated October 19, 2020 notifies that where the variation between the arm's length price determined under section 92C of the Income Tax Act, 1961 and the price at which the international transaction or specified domestic transaction has actually been undertaken does not exceed 1% of the latter in respect of wholesale trading and 3% of the latter in all other cases, the price at which the international transaction or specified domestic transaction has actually been undertaken shall be deemed to be the arm's length price for assessment year 2020-2021.

For details:

[https://www.incometaxindia.gov.in/communications/notification/notification\\_83\\_2020.pdf](https://www.incometaxindia.gov.in/communications/notification/notification_83_2020.pdf)

## ❖ Market Watch

Capital Market		Reference Rate			
S & P BSE Sensex	40544.37 (+112.77)	INR / 1 USD	INR / 1 EUR	INR / 1 GBP	INR / 1 JPY
Nifty 50	11896.80 (+23.75)	73.24 (-0.02%)	85.79 (-0.07%)	94.56 (-0.33%)	0.69 (-0.130%)

Prepared by Directorate of Academics

For any suggestions, please write to [academics@icsi.edu](mailto:academics@icsi.edu), or call at 01204082269

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good corporate governance"

ICSI Motto  
सत्यं वद। धर्मं चर।  
इष्टार्थं कुरु। कुरुते। सुखं कुरु।

MISSION  
"To develop high calibre professionals  
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