

# Info Capsule

Wednesday  
October 20, 2021

**President : CS Nagendra D. Rao**

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

## ❖ **Commerce and Industry**

### **Directorate General of Foreign Trade enlists three new agencies authorized to issue Certificate of Origin Non Preferential (October 18, 2021)**

Directorate General of Foreign Trade vide public notice dated October 18, 2021, authorizes the agencies (Export Promotion Council for EOUs & SEZs, New Delhi, Urban Exim Care Association, Gujarat and Federation of Industries & Associations, Gujarat) to issue Certificate of Origin (Non Preferential). The Names of agencies are added as under in Appendix 2E [List of Agencies Authorized to issue Certificate of Origin (Non-Preferential)] to Appendices & Aayat Niryat Forms of FTP (2015-2020).

*For details:*

<https://egazette.nic.in/WriteReadData/2021/230523.pdf>



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**भारतीय कम्पनी सचिव संस्थान**

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## ❖ **Securities Laws & Capital Markets**

### **SEBI Circular**

#### • **Transmission of Securities to joint Holder(s) (October 18, 2021)**

It has been observed in some cases that due to counterclaim/dispute from the legal representative of one of the deceased holder, the Registrars to an Issue & Share Transfer Agents (RTAs) have not effected transmission to the surviving joint holder(s). In this regard, RTAs are advised to comply with the norms pertaining to transmission of securities to joint holders(s) as provided in clause 23 of Table F in schedule 1 read with section 56(2) & 56(4)(c) of the Companies Act 2013 and transmit securities in favour of surviving Joint holder(s), in the event of demise of one or more joint holder(s), provided that there is nothing contrary to the same in the Article of Association of the company.

*For details:*

[https://www.sebi.gov.in/legal/circulars/oct-2021/transmission-of-securities-to-joint-holder-s-\\_53313.html](https://www.sebi.gov.in/legal/circulars/oct-2021/transmission-of-securities-to-joint-holder-s-_53313.html)

### **SEBI News**

#### • **SEBI official asks investors not to be carried away by unrealistic gains stories (October 19, 2021)**

Investors should observe maximum due diligence while investing in stock market and should not be carried away by the stories of unrealistic gains being made by others, SEBI Whole Time Member G Mahalingam said on Monday. He, further, said that an investor should invest by taking into consideration his/her own risk appetite and should invest time in studying the fundamentals. He was speaking at physical seminar on investor's awareness conducted in Chennai by BSE Investors Protection Fund (BSE IPF) in co-ordination with markets regulator SEBI, depository CDSL and ministry of finance.

*For details:*

<https://economictimes.indiatimes.com/markets/stocks/news/sebi-official-asks-investors-not-to-be-carried-away-by-unrealistic-gains-stories/articleshow/87120118.cms>

## ❖ **Banking and Insurance**

### ● **RBI Bulletin - October 2021 (October 18, 2021)**

The Reserve Bank of India released the October 2021 issue of its monthly Bulletin. The bulletin covers five Articles and Current Statistics. The five articles are: State of the Economy; Should Financial Stability be a Monetary Policy Goal? Evidence from India; Return on Physical Capital: Lessons from Firm Level Data; Renewable Energy – The Silent Revolution; and The low yield environment and Forex Reserves management.

*For details: [https://www.rbi.org.in/Scripts/BS\\_PressReleaseDisplay.aspx?prid=52427](https://www.rbi.org.in/Scripts/BS_PressReleaseDisplay.aspx?prid=52427)*

### ● **Moody's upgrades outlook for Indian banking system (October 19, 2021)**

Moody's Investors Service has revised the outlook for the Indian banking system to stable from negative. Moody's expects India's economy to continue recover in the next 12-18 months, with GDP growing 9.3% in the fiscal year ending March 2022 and 7.9% in the following year. The pickup in economic activity is expected to drive credit growth, which Moody's forecasts to be 10%-13% annually.

*For details:*

*<https://www.livemint.com/industry/banking/moodys-upgrades-outlook-for-indian-banking-system-11634620444759.html>*

### ● **Mudra NPAs rise as Covid hits MSMEs (October 20, 2021)**

The ratio of Gross Non-Performing Assets (NPAs), or bad loans, in the loans outstanding under the Pradhan Mantri Mudra Yojana stood at 11.98% as on March 31, 2021. In absolute terms, the value of gross NPAs in Mudra loans as on March 31, 2021, was Rs. 34,090.34 crore, while the value of loans outstanding under the scheme stood at Rs. 2.84 lakh crore on the same date. While comparable data on Mudra loan NPAs for the last two years are not publicly available, at the end of FY18, the bad loan ratio under the scheme was a much lower 5.38%, as per Mudra's annual report for that year.

*For details:*

*<https://www.financialexpress.com/industry/banking-finance/mudra-npas-rise-as-covid-hits-msmes/2352779/>*

### ● **Banks flag concerns over US rules on consumer data, seek govt. guidance (October 20, 2021)**

India's banks have approached the government with their concerns over the mandatory sharing of customer details with US authorities under that country's expanded National Defense Authorization Act (NDAA), which took effect on January 01, 2022. The NDAA incorporates parts of the Combating Money Laundering, Terrorist Financing, and Counterfeiting Act of 2019, significantly enhancing the reach of authorities over foreign banks if they have a correspondent account with an American financial institution.

*For details:*

*<https://economictimes.indiatimes.com/industry/banking/finance/banking/banks-flag-concerns-over-us-rules-on-consumer-data-seek-govt-guidance/articleshow/87147394.cms>*

## ❖ **Business and Economic News**

### **NCLT allows Reliance Retail's shareholders to hold meetings for Future deal (October 19, 2021)**

The National Company Law Tribunal (NCLT) on October 18, 2021 allowed Reliance Retail Ventures Ltd (RRVL) and Reliance Retail & Fashion Lifestyles Ltd (RRFL) to hold extraordinary general meetings (EGMs) of their shareholders and creditors to acquire Future Group's businesses.

According to NCLT, the objections raised by American retail giant Amazon were premature and could be dealt with later.

*For details:*

[https://www.business-standard.com/article/companies/nclt-allows-reliance-retail-shareholders-to-hold-meetings-for-future-deal-121101800966\\_1.html](https://www.business-standard.com/article/companies/nclt-allows-reliance-retail-shareholders-to-hold-meetings-for-future-deal-121101800966_1.html)

## ❖ **Ethics and Governance News**

### **Regulatory changes for related-party transactions to boost corporate governance: Fitch (October 18, 2021)**

Fitch Ratings on Monday said the recent changes by market regulator SEBI will tighten the rules governing related-party transactions and ease the delisting process. The revised related-party transaction norms will widen the scope of scrutiny and limit the ability of large shareholders – often the founder family or promoters – to enter into such transactions without the approval of minority shareholders. This should strengthen the corporate governance of listed companies, it said.

*For details:*

[https://economictimes.indiatimes.com/news/company/corporate-trends/regulatory-changes-for-related-party-transactions-to-boost-corporate-governance-fitch/articleshow/87106710.cms?utm\\_source=contentofinterest&utm\\_medium=text&utm\\_campaign=cppst](https://economictimes.indiatimes.com/news/company/corporate-trends/regulatory-changes-for-related-party-transactions-to-boost-corporate-governance-fitch/articleshow/87106710.cms?utm_source=contentofinterest&utm_medium=text&utm_campaign=cppst)

## ❖ **Market Watch**

<b>Stock Market Indices as on 20.10.2021</b>	
S & P BSE Sensex	61259.96 (-456.09)
Nifty 50	18266.60 (-152.15)

<b>Foreign Exchange Rates as on 19.10.2021</b> <i>(<a href="https://www.geojit.com/currency-futures/rbi-reference-rate.aspx">https://www.geojit.com/currency-futures/rbi-reference-rate.aspx</a>)</i>			
<b>INR / 1 USD</b>	<b>INR / 1 EUR</b>	<b>INR / 1 GBP</b>	<b>INR / 1 JPY</b>
75.17	87.17	103.21	0.66

## ❖ Terminology for today

### Drill Down

A method of exploring detailed data that was used in creating a summary level of data. Drill Down levels depend on the granularity of the data in the data warehouse.

### Prepared by Directorate of Academics

For any suggestions, please write to [academics@icsi.edu](mailto:academics@icsi.edu), or call at 01204082116

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