

Info Capsule

Friday

August 21, 2020

President : CS Ashish Garg

Vice President : CS Nagendra D. Rao

❖ Latest @ ICSI

ICSI signs MoU with IIM Jammu

With the objective to facilitate a comprehensive partnership for imparting knowledge and skills in the areas of mutual interest of academia and research, the ICSI has recently signed a Memorandum of Understanding for instituting the ICSI Signature Award Scheme with Indian Institute of Management, Jammu.

https://www.icsi.edu/media/webmodules/PRESSRELEASE_ICSI_signs_MoU_withIIMJammu.pdf

❖ Ministry of Finance

Ministry of Finance says Loans worth more than Rs 1 Lakh Crore Disbursed Under 100% Emergency Credit Line Guarantee Scheme

Under the 100% Emergency Credit Line Guarantee Scheme (ECLGS) backed by a Government of India guarantee, Banks from Public & Private Sectors have sanctioned loans worth over Rs. 1.5 lakh crore as of August 18, 2020, of which more than Rs 1 lakh crore has already been disbursed.

https://www.business-standard.com/article/news-cm/ministry-of-finance-says-loans-worth-more-than-rs-1-lakh-crore-disbursed-under-100-emergency-credit-line-guarantee-scheme-120082000420_1.html



**THE INSTITUTE OF
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भारतीय कम्पनी सचिव संस्थान

IN PURSUIT OF PROFESSIONAL EXCELLENCE

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(Under the jurisdiction of Ministry of Corporate Affairs)

❖ Securities Laws & Capital Market

Adjudication Order (August 20, 2020)

- SEBI imposed a total penalty of Rs. 2 lakh on Orissa Minerals Development Company Ltd. (OMDC), its Managing Director and Company Secretary for making delayed disclosure to the stock exchanges of the important price sensitive information. Henceforth, they have violated the provisions of Clause 2.1 of the Code of Corporate Disclosure Practice for Prevention of Insider Trading contained in Schedule II read with Regulation 12(2) of the PIT Regulations, 1992. Further, OMDC also violated Clause 36 of the Listing Agreement read with Section 21 of SCRA.

https://www.sebi.gov.in/enforcement/orders/aug-2020/adjudication-order-in-the-matter-of-the-orissa-minerals-development-co-ltd-_47370.html

Securities Appellate Tribunal (SAT) Notification (August 19, 2020)

- Extending the closure of the Tribunal till September 02, 2020 due to general lockdown by the government**

In consideration of the extension of the lockdown in Containment zones up to August 31, 2020 vide MHA order dated July 29, 2020 and in consideration of extension of the lockdown in the entire State of Maharashtra further till midnight of August 31, 2020, the Hon'ble Presiding Officer and the members of SAT, is of the view that Tribunal shall further remained closed up to September 02, 2020. In case of extreme urgent matters, parties may file cases by adopting Standard Operating Procedures (SOPs) laid down in notification dt. 28/04/2020 and 02/06/2020.

<http://sat.gov.in/scripts/detailsat.asp?releaseId=E0000US80>

SEBI in News

- Ruchi Soya was acquired by a Yoga Guru Baba Ramdev's Patanjali Ayurveda-led consortium last year via an insolvency resolution process. The founders held 99.03 per cent of the company's capital as of March 31. A 8,764% surge in the shares of a company with a minuscule public shareholding has prompted India's regulator to consider changing its rules for firms emerging from the nation's bankruptcy process.

<https://economictimes.indiatimes.com/markets/stocks/news/a-stocks-8764-surge-spurs-india-to-rethink-shareholding-rules/articleshow/77645997.cms>

❖ Indirect Tax

Customs Updates

Exchange Rates of conversion of foreign currencies

The Central Board of Indirect Taxes and Customs via a Notification No. 80/2020- Customs (NT), dated August 20, 2020, hereby determines the rate of exchange of conversion of the foreign currencies for import and export of goods.

<https://www.cbic.gov.in/resources/htdocs-cbec/customs/cs-act/notifications/notfns-2020/cs-nt2020/csnt80-2020.pdf>

❖ **Banking and Insurance**

• **Minutes of the Monetary Policy Committee Meeting August 4 to 6, 2020**

The twenty fourth meeting of the Monetary Policy Committee (MPC), constituted under section 45ZB of the Reserve Bank of India Act, 1934, was held from August 4 to 6, 2020. According to Section 45ZL of the Reserve Bank of India Act, 1934, the Reserve Bank shall publish, on the fourteenth day after every meeting of the Monetary Policy Committee, the minutes of the proceedings of the meeting.

https://www.rbi.org.in/Scripts/BS_PressReleaseDisplay.aspx?prid=50240

• **So far, Lenders have disbursed only ₹1 trillion to stressed MSMEs**

The Centre's much-publicised credit guarantee scheme to aid small businesses resume operations during the crisis caused by the coronavirus pandemic may not have achieved the desired results with total disbursements at just about a third of the finance ministry's target of ₹3 trillion since its launch three months ago. The scheme, part of the government's Aatmanirbhar Bharat initiative, ends in about two months with sanctioned loans touching the ₹1.5 trillion mark as on 18 August.

<https://www.livemint.com/industry/banking/so-far-lenders-have-disbursed-only-1-tn-to-stressed-msmes-11597972087188.html>

• **Private banks are quietly introducing customer charges on digital payments during lockdown**

India's top private sector banks are passing on the losses incurred on processing free digital transactions to their customers amid an increased load on their core banking system clocking record volumes of transactions during lockdown.

<https://economictimes.indiatimes.com/industry/banking/finance/banking/private-banks-are-quietly-introducing-customer-charges-on-digital-payments-during-lockdown/articleshow/77657844.cms>

• **PUC certificate at the time of renewal of Insurance of Vehicle – Direction given by the Supreme Court of India in WP(C) No.13029 of 1985 in the matter of M.C. Mehta vs. Union of India**

IRDAI had earlier issued the circular no. IRDA/NL/CIR/MISC/104/07/2018 dated 06.07.2018 advising all general insurance companies to comply with the direction issued by Hon'ble Supreme Court of India in Writ Petition (Civil) No.13029 of 1985 in M.C. Mehta Vs. Union of India and Others. Central pollution control board (CPCB) has raised concerns regarding status of compliance of above direction of Hon'ble Supreme Court of India in National Capital Region of Delhi (Delhi – NCR). IRDAI has issued a circular IRDAI/NL/CIR/MISC/215/08/2020 dated 20.08.2020 directing all CEOs/CMDs of General Insurance Companies that the direction of Hon'ble Supreme Court of India is followed scrupulously with special focus on compliance in National Capital Region of Delhi (Delhi – NCR).

https://www.irdai.gov.in/ADMINCMS/cms/Circulars_Layout.aspx?page=PageNo4221

• **Corona Insurance Claims cross Rs 2,000 crore**

The value of insurance claims from patients infected with novel coronavirus, across India, has hit Rs 2,040 crore, with the number of claims having risen to 1.29 lakh. As on August 19, 2020 insurers have settled over 81,000 claims amounting to Rs 780 crore.

<https://www.financialexpress.com/money/insurance/corona-insurance-claims-cross-rs-2000-crore/2061269/>

❖ **International Business**

UPI, RuPay to be available in International Markets as NPCI launches subsidiary to go global

To take highly popular Unified Payments Interface (UPI), RuPay to more countries, the National Payments Corporation of India (NPCI) has announced the launch of a subsidiary for its international growth ambitions. The subsidiary, NPCI International Payments Ltd (NIPL), will facilitate the body's "ambition" of venturing into newer international markets and co-create payment systems with other nations, as per an official statement.

<https://www.indiatvnews.com/business/news-upi-rupay-services-in-international-markets-npci-launches-subsiidiary-what-we-know-643586>

❖ **Market Watch**

Capital Market	
S & P BSE Sensex	38466.34 (+245.95)
Nifty 50	11378.70 (+66.50)

Reference Rate			
INR / 1 USD	INR / 1 EUR	INR / 1 GBP	INR / 1 JPY
74.64 (+0.18%)	88.88 (+0.13%)	98.49 (+0.24%)	0.71 (+0.10%)

❖ **Business and Economic News**

- Single e-compliance window soon: MCA initiates discussions with RBI, SEBI, DPIIT on transfer of data
MCA has initiated discussions with various regulators including RBI, SEBI, and the DPIIT, on the possibility of creating a single platform or compliance forms with common data sources. The objective of the proposed single platform would be to integrate databases of MCA and other bodies to bring down duplication in filing; this will help in ease of doing business.
<https://economictimes.indiatimes.com/news/economy/policy/single-e-compliance-window-soon-mca-initiates-discussions-with-rbi-sebi-dpiit-on-transfer-of-data/articleshow/77662021.cms>
- Net new enrolments with retirement fund body EPFO rose to 6.55 lakh in June from 1.72 lakh during May 2020, according to its latest payroll data, providing a perspective on employment in the formal sector amid the COVID-19 crisis.
<https://m.timesofindia.com/business/india-business/epfo-records-6-55-lakh-net-new-enrolments-in-june/articleshow/77656773.cms>
- Microblogging platform Twitter said, that requests for information on user accounts from India grew over 66 per cent to 789 in July-December 2019. These requests - which include those from the government agencies (a combination of routine requests and emergency requests) - stood at 474 in the first half of 2019, as per data from Twitter's latest Transparency Report.
http://m.timesofindia.com/articleshow/77657694.cms?utm_source=contentofinterest&utm_medium=text&utm_campaign=cppst

❖ **Pronouncements**

- In the matter of *Vijay Goverdhandas Kalantri & Anr. vs. Union of India & Ors.*, Punjab & Haryana High Court observed that the jurisdiction of the High Court is limited to the territorial jurisdiction of the State(s) for which it is the High Court. In the present case, the petitioners have been unable to show as to what part of the cause of action arose within the territorial jurisdiction of this Court. So the court held that the initiation of the writ proceedings before this High Court was clearly unsustainable and an abuse of jurisdiction and not bonafide. Hence, this petition is dismissed with imposition of exemplary costs of Rs.1,00,000/-.
<https://taxguru.in/wp-content/uploads/2020/08/Vijay-Goverdhandas-Kalantri-Another-Vs-Union-of-India-Others-Punjab-and-Haryana-High-Court.pdf>
- National Anti-Profitteering Authority (NAA) found M/s Eldeco Infrastructure & Properties Private Limited guilty of profiteering but did not impose the penalty for denying the benefit of Input Tax Credit (ITC) to Flat Buyers as no penalty provisions existed when the ITC was denied.
<https://www.taxscan.in/gst-naa-didnt-impose-penalty-on-eldeco-infrastructure-for-denying-benefit-of-itc-to-flat-buyers-as-no-penalty-provisions-existed/69209/>

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