

Info Capsule

Monday
August 24, 2020

President : CS Ashish Garg

Vice President : CS Nagendra D. Rao

❖ Business and Economic News

A Profession that blends Law, Accountancy and Governance

With a new training structure, entrance-based enrolment, expanding global footprint, the Institute of Company Secretaries of India (ICSI) is all set to realign the sector with the changing requirements of Industry 4.0 and attract the best brains to the discipline in the changed scenario.

<https://timesofindia.indiatimes.com/home/education/news/a-profession-that-blends-law-accountancy-and-governance/articleshow/77716997.cms>

❖ Ministry of Finance

With 25 crore covered, KYC data of nearly a fifth of India's population is digital

The digitization of know your customer (KYC) documents with a central registry has finally gained momentum, with financial services providers like banks, mutual fund houses and insurance companies crossing the 25-crore uploads mark earlier this month, The Print has learnt. This means the KYC data of nearly a fifth of the country's population is now stored digitally, which the financial service providers can access for offering services to the customer, who will not have to supply any documents for availing such services.

<https://theprint.in/economy/with-25-crore-covered-kyc-data-of-nearly-a-fifth-of-indias-population-is-digital/485998/>



**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)

❖ Latest @ ICSI

- First batch of 15 days online EDP (new training structure) under CS Amendment Regulations, 2020

The ICSI has announced First batch of 15 days online EDP (New Training Structure) under CS Amendment Regulations, 2020, from 1st September, 2020 – 15th September, 2020. The registration will open from 25th August- 30th August, 2020 (from start of business hours to end of business hours)

https://www.icsi.edu/media/webmodules/Announcement_first_pilot_batch_15day_online_EDP.pdf

- ICSI has uploaded a video link on YouTube regarding the Technical Session on "How to Appear for 1st CSEET through Remote Proctored mode for students appearing in 1st CSEET to be held on 29th August 2020."

<https://www.youtube.com/watch?v=s3xAM5ogT3c>

- Frequently Asked Questions (FAQ) about CSEET Through Remote Proctored Mode

The ICSI has uploaded Frequently Asked Questions (FAQ) about the CS Executive Entrance Test (CSEET) Through Remote Proctored Mode.

[https://www.icsi.edu/media/webmodules/FAQ_on_CSEET_\(to_be_held_through_Remote_Proctored_Mode\).pdf](https://www.icsi.edu/media/webmodules/FAQ_on_CSEET_(to_be_held_through_Remote_Proctored_Mode).pdf)

- Compulsory Installation of Safe Examination Browser for appearing in the CSEET

All candidates registered for appearing in CSEET scheduled to be held on 29th August, 2020 through remote proctored mode needs to compulsorily install the Safe Examination Browser in their laptop/ desktop beforehand through which they shall be appearing in the test.

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

- The ICSI has arranged a repeat Mock test on 24th August, 2020 for such candidates who were absent in the Mock Test scheduled on 22nd August, 2020, so that they will be familiar with the test before appearing in the CSEET scheduled to be held on 29th August, 2020.

https://www.icsi.edu/media/webmodules/Repeat_Mock_Test_on_24th_August_2020.pdf

- Live webinar on inauguration ceremony of ICSI overseas centre, London, UK & panel discussion on "Evolving Role of Company Secretaries-UK Perspective."

https://www.icsi.edu/media/webmodules/Inauguration_Ceremony_ICSI_Overseas_Centre_LondonUK_PanelDiscussion_24Aug20.pdf

❖ Banking and Insurance

- **SBI, PNB, BoB may go for Share Sale this Fiscal**

As many as five large banks, including SBI, PNB and BoB, are likely to sell shares to institutional investors in the second half of this fiscal as they look to shore up their capital base amid the coronavirus pandemic impacting the economy.

<https://www.livemint.com/industry/banking/sbi-pnb-bob-may-go-for-share-sale-this-fiscal-report-11598181763113.html>

- **Special Liquidity Scheme for NBFCs and HFCs sees 24 proposals worth ₹8,594 crore sanctioned**

The ₹ 30,000 crore Special Liquidity Scheme (SLS) for NBFCs and HFCs, introduced from July 1, 2020, has seen as many as 24 proposals sanctioned involving a sanctioned amount of ₹ 8,594 crore as of Friday, August 21, 2020.

<https://www.thehindubusinessline.com/money-and-banking/special-liquidity-scheme-for-nbfc-and-hfc-sees-24-proposals-worth-8594-crore-sanctioned/article32419821.ece>

❖ **Securities Laws & Capital Market**

SEBI CIRCULARS

Securities and Exchange Board of India (International Financial Services Centres) Guidelines, 2015 – Amendments (August 21, 2020)

In order to streamline the operations at IFSC, SEBI amended the provisions of the SEBI (IFSC) Guidelines as under:

- 1) Clause 19 is being amended which, inter alia, provides that the entities issuing and/or listing their debt securities in IFSC shall prepare their Statement of Accounts in accordance with IFRS/ US GAAP/ IND AS or accounting standards as applicable to them in their place of incorporation. In case an entity does not prepare its statement of accounts in accordance with IFRS/ US GAAP/ IND AS, a quantitative summary of significant differences between National Accounting Standards and IFRS shall be prepared by such entity and incorporated in the relevant disclosure documents to be filed with the exchange.
https://www.sebi.gov.in/legal/circulars/aug-2020/securities-and-exchange-board-of-india-international-financial-services-centres-guidelines-2015-amendments_47374.html
- 2) A new clause 8(3) is being incorporated which provides that an entity, based in India or in a foreign jurisdiction, may provide financial services in IFSC, subject to compliance with the applicable regulatory framework/ guidelines for such financial services, as specified by the Board, from time to time.
https://www.sebi.gov.in/legal/circulars/aug-2020/securities-and-exchange-board-of-india-international-financial-services-centres-guidelines-2015-amendments_47375.html

ADJUDICATION ORDER (August 21, 2020)

SEBI imposed a total penalty of Rs. 22.39 crore on 32 entities for alleged siphoning off Rs. 33.83 crore of the IPO proceeds of Ravi Kumar Distilleries Ltd., due to fraudulent acts of the entities.

https://www.sebi.gov.in/enforcement/orders/aug-2020/adjudication-order-in-the-matter-of-ravi-kumar-distilleries-ltd_47376.html

SEBI IN NEWS

- The government has declined to give the Securities and Exchange Board of India (SEBI) permission to tap phones while investigating insider trading cases. The Centre is of the view that details of phone calls should be accessed only in case of threats to national security, terror financing, and money laundering. At present, SEBI has the authority to ask for call records, such as the number dialled and the duration of the calls.
<https://www.moneycontrol.com/news/business/markets/centre-declines-sebis-request-to-tap-phones-in-insider-trading-cases-report-5737031.html>
- SEBI, NSE urge banks to utilize exchange platform for sourcing, hedging gold. In order to generate confidence among the traders, dealers and other participants in terms of quality, NSE has put in place a robust risk management, auditing, testing methodology and other norms.
<https://www.moneycontrol.com/news/business/commodities/sebi-nse-urge-banks-to-utilise-exchange-platform-for-sourcing-hedging-gold-5740451.html>
- The government is planning to sell part of its stake in Indian Railway Catering and Tourism Corp (IRCTC) in the current fiscal, and has invited bids from merchant bankers for managing the sale process. The government currently holds 87.40% stake in IRCTC. To meet SEBI's public holding norm, the government has to lower its stake in the company to 75%.
<https://www.livemint.com/news/india/govt-plans-further-stake-sale-in-irctc-invites-bids-from-merchant-bankers-by-sept-10-11597921248414.html>

❖ **Direct Tax**

The Income Tax Department carried out a search and seizure operation on August 20, 2020 at various locations in Bhopal. The key person of one of the groups covered used to run a bangles shop. Another person covered is a property builder/developer and is also running a cricket academy.

<https://www.pib.gov.in/PressReleasePage.aspx?PRID=1647752>

❖ **Market Watch**

Capital Market	
S & P BSE Sensex	38799.08 (+364.36)
Nifty 50	11466.45 (+94.85)

Reference Rate			
INR / 1 USD	INR / 1 EUR	INR / 1 GBP	INR / 1 JPY
74.85 (+0.28%)	88.67 (-0.24%)	98.36 (-0.13%)	0.71 (-0.03%)

❖ **Indirect Tax****Goods and Services Tax**

- **Registration only after physical verification of place of business**

Notification No. 62/2020- Central Tax dated August 20, 2020

Business registering under GST can opt for Aadhaar authentication, in absence of which registration would be granted only after physical verification of the place of business. When an applicant for GST registration opts for authentication of Aadhaar number, he shall undertake the said authentication while submitting an application in Part B of Form GST REG-01.

<https://www.cbic.gov.in/resources/htdocs-cbec/gst/notfctn-62-central-tax-english-2020.pdf>

- **Provision for Aadhaar Authentication in GST Registration**

Tax Officer can issue SCN within the period specified for grant of registration, like in cases of successful Aadhaar authentication i.e. 03 working days, or in cases when taxpayer do not opt to provide Aadhaar or when Aadhaar authentication fails i.e. 21 working days. Applicants can submit their reply within 07 working days from issue of SCN.

<https://www.gst.gov.in/newsandupdates/read/394>

Customs Updates

- **Customs (Administration of Rules of Origin under Trade Agreements) Rules Notification No. 81/2020- Customs (NT), dated August 21, 2020**

Customs (Administration of Rules of Origin under Trade Agreements) Rules, 2020 shall come into force from 21st day of September, 2020. It shall apply to import of goods into India where the importer makes claim of preferential rate of duty in terms of a trade agreement.

<https://www.cbic.gov.in/resources/htdocs-cbec/customs/cs-act/notifications/notfns-2020/cs-nt2020/csnt81-2020.pdf>

- **Anti-dumping duty on imports of Phosphoric Acid of all grades and concentrations Notification No. 26/2020- Customs (ADD), dated August 21, 2020**

This notification seeks to impose anti-dumping duty on the imports of Phosphoric Acid of all grades and concentrations (excluding Agriculture or Fertilizer grade), originating in or exported from Korea RP for a period of five years.

<https://www.cbic.gov.in/resources/htdocs-cbec/customs/cs-act/notifications/notfns-2020/cs-add2020/csadd26-2020.pdf>

- **Anti-dumping duty on imports of "Acrylonitrile Butadiene Rubber"**

Notification No. 27/2020- Customs (ADD), dated August 21, 2020

This notification seeks to amend notification No. 46/2015-Customs (ADD), dated 4th September 2015 to extend the levy of ADD on imports of "Acrylonitrile Butadiene Rubber" originating in or exported from Korea RP, for a period of three months i.e. upto 3rd December, 2020.

<https://www.cbic.gov.in/resources/htdocs-cbec/customs/cs-act/notifications/notfns-2020/cs-add2020/csadd27-2020.pdf>

❖ **Pronouncements****SAT directed SEBI's Recovery Officer to De-Freeze the Bank Accounts**

SAT directed the Recovery Officer of SEBI to de-freeze the two bank accounts of the appellant, Ms. Kalpana Gupta forthwith, wherein the appellant is only the second holder along with her mother and sons respectively who are the primary holders of those two accounts. The appeal had been filed aggrieved by the issuance of the recovery certificate, notice of attachment of bank accounts and notice of attachment of demat accounts by the Recovery Officer of SEBI all dated June 10, 2020.

http://sat.gov.in/english/pdf/E2020_J02020151.PDF

Prepared by Directorate of Academics

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

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"To be a global leader in promoting good corporate governance"

ICSI Motto

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कष्टकरं मेतु। ललातः श्रेयते इयु मेतु।

MISSION

"To develop high calibre professionals facilitating good corporate governance"

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