

Info Capsule

Tuesday
November 24, 2020

President : CS Ashish Garg

Vice President : CS Nagendra D. Rao

❖ Latest @ ICSI

The ICSI signed various MoUs for Academic Collaboration with Universities and Institutes of the North Eastern States (November 23, 2020)

The ICSI has recently signed various MoUs with the following Universities & Institutes of the North-eastern Region under the ICSI Academic Collaboration Initiative:

- The ICFAI University Sikkim, Gangtok, Sikkim
- Sikkim Manipal University Gangtok, Sikkim
- Apex Professional University, Pasighat, Arunachal Pradesh
- Assam Don Bosco University, Guwahati, Assam
- The Assam Royal Global, Guwahati, Assam
- Manipur University, Imphal, Manipur

The objective of the MOUs' is to facilitate a comprehensive partnership in the areas of joint academic research, joint workshops, professional development & faculty development programmes along with sharing of resources and participation at Regional and National Conferences. The collaboration would help in imparting knowledge along with honing the skills of students, academicians and professionals of these Institutes.

For details:

https://www.icsi.edu/media/webmodules/PR_ICSI_signs_various_MoUs_AcademicCollaboration%20with%20Universities_NE_States_India.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 Laws & Capital Markets

• SEBI Circular (November 23, 2020)

Introduction of Unified Payments Interface (UPI) mechanism and Application through online interface and streamlining the process of Public issues of securities under:

- SEBI (Issue and Listing of Debt Securities) Regulations, 2008 (ILDS Regulations)
- SEBI (Issue and Listing of Non-Convertible Redeemable Preference Shares) Regulations, 2013 (NCRPS Regulations)
- SEBI (Issue and Listing of Securitised Debt Instruments and Security Receipts) Regulations, 2008 (SDI Regulations) and
- SEBI (Issue and Listing of Municipal Debt Securities) Regulations, 2015 (ILDM Regulations)

SEBI dated August 16, 2018 lays down the process for payment for applications in public issue of debt securities through the facility of ASBA. In addition to the already specified modes under the ASBA Circular, SEBI has introduced an option to investors to apply in public issues of debt securities through the app / web interface of Stock Exchange(s) with a facility to block funds through Unified Payments Interface (UPI) mechanism for application value upto Rs. 2 Lac and permitting the UPI mechanism to block funds for application value upto Rs. 2 Lac submitted through intermediaries (Syndicate members, Registered Stock Brokers, Registrar and Transfer agent and Depository Participants). The provisions of this circular shall be applicable to a public issue of securities which opens on or after January 01, 2021.

For details:

<https://www.sebi.gov.in/legal/circulars/nov-2020/introduction-of-unified-payments-interface-upi-mechanism-and-application-through-online-interface-and-streamlining-the-process-of-public-issues-of-securities-under-sebi-issue-and-listing-of-debt-48235.html>

SEBI Consultation Paper

- Consultation Paper on Re-classification of Promoter/ Promoter Group Entities and Disclosure of the Promoter Group Entities in the Shareholding Pattern (November 23, 2020)**

The SEBI has placed a consultation paper on 'Re-classification of Promoter/ Promoter Group Entities and Disclosure of the Promoter Group Entities in the Shareholding Pattern' for public comments. SEBI has received feedback regarding cases where promoters have desired re-classification but have found it difficult under current regulatory regime. Relaxation from existing requirement on a case to case basis was given by SEBI. It is therefore desirous that the existing provisions may be revisited to minimize the number of exemptions provided on a case to case basis. Comments may be sent to SEBI in prescribed format latest by December 24, 2020.

For details:

https://www.sebi.gov.in/reports-and-statistics/reports/nov-2020/consultative-paper-on-re-classification-of-promoter-promoter-group-entities-and-disclosure-of-promoter-group-entities-in-the-shareholding-pattern_48236.html

SEBI Adjudication Orders (November 23, 2020)

S. No.	Name of Entity on which penalty is imposed	Alleged Violations	Penalty (in Rs.)
(1)	Ms. Pragnaben Suryakant Shah, Director (In the matter of Gala Global Products Limited 'GGPL')	Failed to make requisite disclosures under SEBI (Prohibition of Insider Trading) Regulations, 2015 on four occasions and it was repetitive in nature thus violated Regulation 7(2)(a) of the PIT Regulations	2 lakh
(2)	M/s Harishankar Paper Products (P) Ltd and Mr. Anil Kumar Gilra, Promoter(s) (In the matter of Cosboard Industries Ltd.)	Failed to make requisite disclosures to the stock exchange i.e. BSE as mandated under Regulation 31(1) read with 31(3) of the SAST Regulations.	2 lakh each
(3)	Nitin Ajage, General Manager (Corporate Accounting) (In the matter of Dynamatic Technologies Ltd 'DTL')	Failed in making the disclosure to DTL thereby violated Regulation 7(2)(a) of the PIT Regulations, 2015 and failed in taking pre-trading approval from DTL thereby violated clause 6 of schedule B read with Regulation 9(1) and (2) of the PIT Regulations, 2015 read with clause 6.1 of the Code of Conduct for Prevention of Insider Trading framed by DTL.	3 lakh

For details:

<https://www.sebi.gov.in/sebiweb/home/HomeAction.do?doListingAll=yes>

❖ **Banking and Insurance**

- **Establishment of Branch Office (BO) / Liaison Office (LO) / Project Office (PO) or any other place of business in India by foreign law firms(November 23, 2020)**

Attention of the Authorised Dealer (AD - Category I) banks is invited to AP (DIR Series) Circular No. 23 dated October 29, 2015, on the above issue advising that no fresh permissions/ renewal of permission shall be granted by the Reserve Bank/AD Category-I banks to any foreign law firm for opening of Liaison Office in India, till the policy is reviewed based on, among others, final disposal of the matter by the Hon'ble Supreme Court.

The Hon'ble Supreme Court has while disposing of the case, held that advocates enrolled under the Advocates Act, 1961 alone are entitled to practice law in India and that foreign law firms/companies or foreign lawyers cannot practice profession of law in India. As such, foreign law firms/companies or foreign lawyers or any other person resident outside India, are not permitted to establish any branch office, project office, liaison office or other place of business in India for the purpose of practicing legal profession. Accordingly, AD Category - I banks are directed not to grant any approval to any branch office, project office, liaison office or other place of business in India under FEMA for the purpose of practicing legal profession in India. Further, they shall bring to the notice of the Reserve Bank in case any such violation of the provisions of the Advocates Act comes to their notice.

For details:

<https://www.rbi.org.in/Scripts/NotificationUser.aspx?Id=11997&Mode=0>

- **Muthoot Finance Partners With Bajaj Allianz General Insurance To Launch Gold Jewellery Insurance (November 23, 2020)**

Non-banking finance company (NBFC) Muthoot Finance has tied up with Bajaj Allianz General Insurance to provide insurance on gold jewellery as part of their new initiative "Muthoot Gold Shield". The policy would provide insurance coverage of gold jewellery for individuals.

This is designed to provide insurance coverage of gold jewellery articles for customers of the company at the time of closure of gold loan and release of gold ornaments. It will provide insurance coverage to the customers of Muthoot Finance as a loyalty product.

For details:

<http://www.businessworld.in/article/Muthoot-Finance-partners-with-Bajaj-Allianz-General-Insurance-to-launch-gold-jewellery-insurance/23-11-2020-345820/>

❖ Terminology for Today

Direct Benefit Transfer (DBT)

With the aim of reforming Government delivery system by re-engineering the existing process in welfare schemes for simpler and faster flow of information/funds and to ensure accurate targeting of the beneficiaries, de-duplication and reduction of fraud Direct Benefit Transfer (DBT) was started on 1st January, 2013. DBT Mission was created in the Planning Commission to act as the nodal point for the implementation of the DBT programmes.

First phase of DBT was initiated in 43 districts and later on 78 more districts were added in 27 schemes pertaining to scholarships, women, child and labour welfare. DBT was further expanded across the country on 12.12.2014. 7 new scholarship schemes and Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) was brought under DBT in 300 identified districts with higher Aadhaar enrolment.

❖ Market Watch

Stock Market Indices as on 24.11.2020	
S & P BSE Sensex	44523.02 (+445.87)
Nifty 50	13055.15 (+128.70)

Foreign Exchange Rates as on 23.11.2020 (https://www.fbil.org.in/#/home)			
INR / 1 USD	INR / 1 GBP	INR / 1 EUR	INR / 1 JPY
74.1409	98.8066	88.0626	.7146

Prepared by Directorate of Academics

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

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