

# Info Capsule

Tuesday  
August 25, 2020

**President : CS Ashish Garg**

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

## ❖ Latest @ ICSI

- **One More Mock Test will be conducted on 26th August, 2020**

The ICSI has again arranged a repeat Mock Test on 26th August, 2020 for such candidates, who were unable to appear in the previous scheduled Mock tests, so that they are conversant with the CSEET before appearing in the CS Executive Entrance Test (CSEET) scheduled on 29th August, 2020.

[https://www.icsi.edu/media/webmodules/RepeatMockTest\\_for\\_Absentees\\_260820.pdf](https://www.icsi.edu/media/webmodules/RepeatMockTest_for_Absentees_260820.pdf)

- **Login Credentials For Appearing in the CSEET, August 2020 Session**

The login credentials for appearing in the CSEET (including the Mock Tests) shall be sent by Email and SMS to the candidates who are scheduled to appear in the CSEET, August 2020 Session. The candidates are advised to check for E-Mail/ SMS received at their end.

[https://www.icsi.edu/media/webmodules/Login-Credentials\\_appearing\\_CSEET.pdf](https://www.icsi.edu/media/webmodules/Login-Credentials_appearing_CSEET.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)

## ❖ Ministry of Corporate Affairs

- **Contribution for R&D activities - More entities covered under CSR Activities under Schedule VII of the Companies Act 2013**

MCA vide Notification dated 24th August, 2020 has widened the scope of CSR Activities by amending item (ix) of the Schedule VII of the Companies Act 2013 to include more entities like Ministry of AYUSH etc., engaged in research and development to whom contribution shall be treated as Contribution for Corporate Social Responsibility (CSR) Activities as required under Section 135 of Companies Act, 2013.

<http://egazette.nic.in/WriteReadData/2020/221324.pdf>

- **Research and development activity of new vaccine, drugs and medical devices related to COVID-19 brought under CSR policy of companies**

MCA has issued the Companies (Corporate Social Responsibility Policy) Amendment Rules, 2020 dated 24th August, 2020 and has notified that any company engaged in research and development activity of new vaccine, drugs and medical devices in their normal course of business may undertake research and development activity of new vaccine, drugs and medical devices related to COVID-19 for financial years 2020-21, 2021-22 and 2022-23 subject to the prescribed conditions.

<http://egazette.nic.in/WriteReadData/2020/221325.pdf>

## ❖ Indirect Tax

### **GST reduces tax rate and doubles taxpayer base**

GST has reduced the rate at which people have to pay tax and helped increase compliance and doubled taxpayer base to 1.24 crore. All processes in GST have been fully automated.

<https://timesofindia.indiatimes.com/business/india-business/gst-reduced-tax-rates-doubled-taxpayer-base-to-1-24-crore-finance-ministry/articleshow/77715440.cms>

## ❖ International Business

### **Microsoft defends Fortnite maker in Apple Fight**

Microsoft came to the defense of the maker of video game sensation Fortnite on Sunday, August 23, 2020, saying in a court filing that Apple's move to cut off the company from programming tools would hurt other game creators and players as well.

## ❖ **Securities Laws & Capital Market**

### **ADJUDICATION ORDER**

SEBI imposed a penalty of Rs. 5 lakh on MCS Share Transfer Agent Limited on failure to provide documents required by the Auditor appointed by SEBI in accordance with the provisions of Regulation 21(1) of the SEBI (RTI and STA) Regulations, 1993 and thereby violated the provisions of Regulation 18(1) read with Regulation 21 of SEBI (RTI and STA) Regulations, 1993 and Clause 18 of the Code of Conduct for the Registrars to an Issue and Share Transfer Agent prescribed in Schedule III under Regulation 13 of the SEBI (RTI and STA) Regulations, 1993.

[https://www.sebi.gov.in/enforcement/orders/aug-2020/adjudication-order-in-respect-of-mcs-share-transfer-agent-limited-in-the-matter-of-inspection-audit-of-books-of-mcs-share-transfer-agent-limited\\_47379.html](https://www.sebi.gov.in/enforcement/orders/aug-2020/adjudication-order-in-respect-of-mcs-share-transfer-agent-limited-in-the-matter-of-inspection-audit-of-books-of-mcs-share-transfer-agent-limited_47379.html)

### **NSE CIRCULAR**

NSE informed its Members about approval received from SEBI, Options in Goods contracts on underlying Silver spot price would be available for trading in Commodity Derivatives segment with effect from September 1, 2020.

<https://www1.nseindia.com/content/circulars/COM45445.pdf>

### **SEBI IN NEWS**

The Securities and Exchange Board of India's (SEBI's) one-time settlement scheme in the illiquid stock option manipulation case remains a doubtful starter. Sources say most entities could give it a miss given the high settlement cost and fears of prosecution from other enforcement agencies.

[https://www.business-standard.com/article/markets/one-month-on-sebi-s-one-time-settlement-scheme-remains-doubtful-starter-120082401306\\_1.html](https://www.business-standard.com/article/markets/one-month-on-sebi-s-one-time-settlement-scheme-remains-doubtful-starter-120082401306_1.html)

## ❖ **Market Watch**

<b>Capital Market</b>	
S & P BSE Sensex	38843.88 (+44.80)
Nifty 50	11472.25 (+5.80)

<b>Reference Rate</b>			
<b>INR / 1 USD</b>	<b>INR / 1 EUR</b>	<b>INR / 1 GBP</b>	<b>INR/ 1 JPY</b>
74.74 (-0.15%)	88.15 (-0.58%)	97.82 (-0.55%)	0.71 (-0.04%)

### ❖ **Banking and Insurance**

#### ● **PNB, OBC, UBI merger: No Layoffs for any Bank Employees**

There will be no layoffs of employees due to the merger Oriental Bank of Commerce, United Bank of India with Punjab National Bank, MD & CEO of Punjab National Bank SS Mallikarjuna Rao has said. The amalgamation of Punjab National Bank, United Bank of India and Oriental Bank of Commerce came into effect from April 1, 2020.

<https://www.livemint.com/industry/banking/pnb-obc-ubi-merger-no-layoffs-for-any-bank-employees-11598250738230.html>

#### ● **Ashwani Bhatia takes charge as State Bank of India's Managing Director**

The State Bank of India on Monday, August 24, 2020, said Ashwani Bhatia has taken charge as its managing director.

<https://economictimes.indiatimes.com/industry/banking/finance/banking/ashwani-bhatia-takes-charge-as-state-bank-of-indias-managing-director/articleshow/77724518.cms>

### ❖ **Business and Economic News**

Telecom operators' body COAI (Cellular Operators Association of India) has approached the finance ministry seeking waiver of service tax on Adjusted Gross Revenue (AGR) dues to be paid to the government.

<http://m.timesofindia.com/articleshow/77727481.cms>

The government has come out with norms for the enforcement of 'rules of origin' provisions for allowing preferential rate of customs duties on products imported under free trade agreements (FTAs).

### ❖ **Pronouncement**

#### 'Reduction of Capital' under Section 66 of the Companies Act, 2013

In the matter of Economy Hotels India Services Private Limited vs. Registrar of Companies & Anr., NCLAT observed that 'Reduction of Capital' under Section 66 of the Companies Act, 2013 is a 'Domestic Affair' of a particular Company in which, ordinarily, a Tribunal will not interfere because of the reason that it is a 'majority decision' which prevails.

As the Appellant has admitted its typographical error in the extract of the Minutes of the Meeting characterising the 'special resolution' as 'unanimous ordinary resolution' and also taking into consideration of the fact that the Appellant had filed the special resolution with ROC, which satisfies the requirement of Section 66 of the Companies Act, 2013.

NCLAT allowed the Appeal, thereby confirming the reduction of share capital of the Appellant Company.

<https://nclat.nic.in/Useradmin/upload/14264245455f43829d793e8.pdf>

### **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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