

Info Capsule

Thursday
August 26, 2021

President : CS Nagendra D. Rao

Vice President : CS Devendra V. Deshpande

❖ **Ministry of Corporate Affairs**

Frequently Asked Questions (FAQs) on Corporate Social Responsibility (CSR) (August 25, 2021)

In view of several amendments in Section 135 of the Companies Act, 2013 as well in the CSR Rules, the MCA has issued an updated set of Frequently Asked Questions (FAQs) on the Corporate Social Responsibility (CSR) for better understanding and effective implementation.

For details:

<https://www.mca.gov.in/bin/dms/getdocument?mids=uCTTViAfc1KSszKI91LQvA%253D%253D&type=open>



**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**

• **Webinar on recent changes in Tax implications of Restructuring of Business**

With the objective to discuss and deliberate on the tax implications involved in restructuring of businesses, the Direct Taxes Committee of PHD Chamber is organizing a Webinar on “Recent Changes in Tax Implications of Restructuring of Business” on Friday, August 27, 2021 from 03:00 pm onwards. Members of the ICSI will be awarded 1 credit hour (Unstructured).

For details:

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

• **EEE 2.0: Webinar on Annual Report, Board Report & SS-4**

The eighteenth session of the EEE 2.0: Bi-weekly Webinar Series is scheduled on Friday, August 27, 2021 from 03:00 pm to 05:00 pm on the topic: Annual Report, Board Report & SS-4.

For details:

https://www.icsi.edu/media/webmodules/ICSI_Flyer_EE2_schedule_26082021.pdf

❖ **Securities Laws and Capital Market**

• **SEBI Press Release**

SEBI issues Circular on “Security and Covenant Monitoring using Distributed Ledger Technology” (August 25, 2021)

SEBI vide this Press Release informed that a platform for ‘Security and Covenant Monitoring System’ (‘system’) hosted by Depositories is being developed with an aim to strengthen the process of security creation and monitoring of security created, asset cover and covenants of the non-convertible securities.

The system using Distributed Ledger Technology (DLT) shall be used for recording of the process of creation and monitoring of security (viz. due diligence, charge creation etc.), continuous monitoring of covenants by Debenture Trustees (as applicable), credit rating of the non-convertible securities by the Credit Rating Agencies, etc.

For details:

https://www.sebi.gov.in/media/press-releases/aug-2021/sebi-issues-circular-on-security-and-covenant-monitoring-using-distributed-ledger-technology-_52086.html

• **SEBI/ Stock Exchange News**

NSE bans members from selling digital gold after SEBI flags concerns (August 26, 2021)

National Stock Exchange (NSE) has directed its members, including stockbrokers, to discontinue the sale of digital gold on their platforms by September 10, 2021. The direction came after SEBI said that certain members are providing a platform to their clients for buying and selling digital gold.

SEBI through a letter dated August 3, 2021 informed the exchange that the said activity is in contravention of Securities Contracts (Regulation) Rules (SCRR), 1957, and the members should refrain from undertaking any such activities. The SCRR rules restrict all members from engaging, either as principal or employee, in any business, other than that of securities or commodity derivatives, except as a broker or agent, not involving any personal financial liability.

For details:

https://www.business-standard.com/article/markets/nse-bans-members-from-selling-digital-gold-after-sebi-flags-concerns-121082501011_1.html

❖ **Banking and Insurance**

- **Tokenisation – Card Transactions : Extending the Scope of Permitted Devices (August 25, 2021)**

It has been decided by the Reserve Bank of India to permit authorised card payment networks to offer card tokenisation services to any token requestor (i.e., third party app provider), subject to certain conditions. The permission was extends to all use cases / channels [e.g., Near Field Communication (NFC) / Magnetic Secure Transmission (MST) based contactless transactions, in-app payments, QR code-based payments, etc.] or token storage mechanisms (cloud, secure element, trusted execution environment, etc.). Now on a review of the framework and keeping in view stakeholder feedback, it has been decided to extend the scope of tokenisation to include consumer devices – laptops, desktops, wearables (wrist watches, bands, etc.), Internet of Things (IoT) devices, etc. This initiative is expected to make card transactions more safe, secure and convenient for the users.

For details:

<https://www.rbi.org.in/Scripts/NotificationUser.aspx?Id=12152&Mode=0>

- **Master Direction - Classification, Valuation and Operation of Investment Portfolio of Commercial Banks (Directions), 2021 (August 25, 2021)**

The Reserve Bank of India has, from time to time, issued several guidelines / instructions / directives to the banks on Prudential Norms for Classification, Valuation and Operation of Investment Portfolio by Banks. To enable banks to have current instructions at one place, a Master Direction incorporating all the existing guidelines / instructions / directives on the subject has been prepared for reference of the banks.

For details:

<https://www.rbi.org.in/Scripts/NotificationUser.aspx>

- **Boosting credit: PSBs to hold another outreach in October, says Finance minister Nirmala Sitharaman (August 26, 2021)**

State-run banks will undertake a nation-wide loan outreach programme around October, finance minister Nirmala Sitharaman said on August 25, 2021, as the government seeks to stir economic growth through sustained credit push, especially to Covid-hit small and medium businesses, retail and farm sectors, amid fears that bankers have turned risk-averse. Finance minister also launched the EASE 4.0 or Enhanced Access and Service Excellence – a common reform agenda for PSBs aimed at institutionalising clean and smart banking.

For details:

<https://www.financialexpress.com/industry/banking-finance/boosting-credit-psbs-to-hold-another-outreach-in-october-says-finance-minister-nirmala-sitharaman/2317730/>

Terminology for today

Constructivism

The idea that reality is socially constructed. It is the view that reality cannot be understood outside of the way humans interact and that the idea that knowledge is constructed, not discovered. Constructivists believe that learning is more active and self-directed than either behaviourism or cognitive theory would postulate.

❖ Market Watch

Stock Market Indices as on 26.08.2021

S & P BSE Sensex	55949.10 (+4.89)
Nifty 50	16636.90 (+2.25)

Foreign Exchange Rates as on 25.08.2021

(<https://www.geojit.com/currency-futures/rbi-reference-rate>)

INR / 1 USD	INR / 1 EUR	INR / 1 GBP	INR/ 1 JPY
74.02	86.94	101.58	0.67

Prepared by Directorate of Academics

For any suggestions, please write to academics@icsi.edu, or call at 01204082116

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

ICSI Motto
सत्यं वद। धर्मं चर।
वृत्तकं कुरु। त्रुटिः श्लेषः क्षुद्रं कुरु।

MISSION
"To develop high calibre professionals
facilitating good corporate governance"

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