

# Info Capsule

Monday, July 27, 2020

**President : CS Ashish Garg**

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

## ❖ Latest @ ICSI

- ICSI has issued Examination Enrolment Guidelines, which is to be followed by all the students eligible for appearing in December 2020 Session of Examinations of Foundation, Executive and Professional Programme

<https://www.icsi.edu/media/webmodules/Announcement-Relaxation.pdf>

- In view of unprecedented crisis in the country due to corona virus outbreak, ICSI has provided relaxation for complying with the requirement of Pre-Examination Test and One Day Orientation Programme for enrolment to Company Secretaries examinations, December 2020 session. Now the students are required to comply with the said requisites on or before November 20, 2020.

## ❖ Supreme Court of India

Hon'ble Chief Justice of India has released the iOS version of Official Mobile App of the Supreme Court of India.

[https://main.sci.gov.in/pdf/LU/25072020\\_131732.pdf](https://main.sci.gov.in/pdf/LU/25072020_131732.pdf)

## ❖ Ministry of Finance

### 1474 Risky Exporters to face Stern Action

Stern action is proposed against the risky exporters who have been claiming IGST Refund worth Rs. 2,020 crore and were found untraceable, said Finance Ministry. Sources in this matter stated, that the number of such untraceable risky exporters has gone up to 1474 as on date. It is further said that the IGST refund is suspended in all such cases where there is an adverse report post verification about the exporter or his supplier/s. However, Customs officials have been sensitized to expedite refunds to genuine exporters in these difficult COVID-19 days.

Source : CNBC TV 18



**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

### Companies (Indian Accounting Standards) Amendment Rules, 2020

The Ministry of Corporate Affairs vide a notification dated July 24, 2020 and in consultation with the National Financial Reporting Authority, has notified Companies (Indian Accounting Standards) Amendment Rules, 2020 to further amend the Companies (Indian Accounting Standards) Rules, 2015.

#### Highlights of Companies (Indian Accounting Standards) Amendment Rules, 2020

The entities must apply these amendments to business combinations, whose acquisition date is on or after the start of the first annual reporting period beginning on April 1, 2020 and to asset acquisitions that take place on or after that period. The amendment introduces following changes to the Rules :

|              |  |
|--------------|--|
| IND AS 107   | Indian Accounting Standards 107 relates to disclosures to be made in respect of financial instruments. Amendment has been made by introducing a provision specifying the disclosures to be made where there is uncertainty due to Interest Rate Benchmark Reform.  |
| IND AS 109   | Indian Accounting Standards 109 relates to financial reporting of financial assets and financial liabilities. Amendment has been made by providing detailed provisions for temporary exceptions from applying specific hedge accounting requirements and transition for hedge accounting. These must be applied by entities for annual periods starting on or after 1st April, 2020.   |
| IND AS 116   | Indian Accounting Standards 116 relates to Accounting for Leases. Amendment has been made to provide that subject to specified conditions, any rent concession due to COVID-19 may, if the lessee so elects, not be assessed as a lease modification. This is subject to disclosures to be made by the lessee and shall apply to annual reporting periods on or after 1st April, 2020 or where the lessee has not approved the financial statements prior to this amendment, it may be applied for such periods from 1st April, 2019 |
| IND AS 1 & 8 | In Indian Accounting Standards 1 and 8, changes have been made to the definition of material in relation to material information.  |
| IND AS 10    | Indian Accounting Standards 10 relates to Events after the Reporting Period. Amendment has been made which requires that apart from disclosure of non-adjusting event, the disclosure of an estimate of its financial effect should be made, or a statement that such an estimate cannot be made.  |
| IND AS 37    | Indian Accounting Standards 37 relates to Provisions, Contingent Liabilities and Contingent Assets. Amendment has been made with respect to clarification on accounting for restructuring plans.   |

For details: [http://www.mca.gov.in/Ministry/pdf/Rule\\_24072020.pdf](http://www.mca.gov.in/Ministry/pdf/Rule_24072020.pdf)

## ❖ **Central Board of Direct Tax**

### **Income Tax (17th Amendment) Rules, 2020 [Dated July 24, 2020]**

CBDT notified Income Tax (17th Amendment) Rules, 2020 which shall come into force with effect from the 1st day of October, 2020 and thereby amending Tax Collected at Source (TCS) Rules. The following amendment has been made in the Income-tax Rules, 1962.

1. Rule 31AA [Statement of collection of tax u/s 206C (3)] : The amount received or debited on which TCS was not collected from the buyer is to be reported.
2. Rule 37BC [Relaxation from deduction of tax at higher rate under section 206AA] : In the case of a non-resident, not being a company, or a foreign company (hereafter referred to as 'deductee') and not having permanent account number the provisions of section 206AA shall not apply in respect of payments in the nature of interest, royalty, fees for technical services and payments on transfer of any capital asset, if the deductee furnishes the details and the documents specified in sub-rule (2) to the deductor.

In sub-rule (1), after the words "fees for technical services", the words, "dividend" shall be inserted.

3. Rule 37-I [Credit for tax collected at source for the purposes of section 206C (4)], after sub-rule (2), the sub-rule 2A shall be inserted as follow:

"(2A) Notwithstanding anything contained in sub-rule (2), for the purposes of sub - section (1F) or, sub-section (1G) or, sub-section (1H) of section 206C, credit for tax collected at source shall be given to the person from whose account tax is collected and paid to the Central Government account for the assessment year relevant to the previous year in which such tax collection is made".

4. Appendix II, in Form 27EQ, for the "Annexure", the following "Party wise Break Up of TCS" Annexure shall be substituted

*For details: <https://abcaus.in/wp-content/uploads/2020/07/cbd-t-notification-2.pdf>*

## ❖ **International Business**

### **UN Chief appoints new Executive Director of International Trade Centre**

For the development of trade and international business, United Nations Secretary-General Antonio Guterres announced the appointment of Pamela Coke-Hamilton of Jamaica as Executive Director of the International Trade Centre (ITC), the joint agency of the United Nations Conference on Trade and Development (UNCTAD) and the World Trade Organization (WTO). Coke-Hamilton succeeds Arancha Gonzalez Laya of Spain to whom the secretary-general has expressed appreciation for her dedicated service to the organization. This information is based upon a press note issued by the Secretary-General's office on July 25, 2020.

*<https://www.5dariyanews.com/news/299620-UN-chief-appoints-new-executive-director-of-International-Trade-Centre>*

## ❖ **Market Watch**

| <b>Capital Market</b> |                    |
|-----------------------|--------------------|
| S & P BSE Sensex      | 37934.73 (-194.17) |
| Nifty 50              | 11131.80 (-62.35)  |

| <b>Reference Rate</b> |                    |                    |                   |
|-----------------------|--------------------|--------------------|-------------------|
| <b>INR / 1 USD</b>    | <b>INR / 1 EUR</b> | <b>INR / 1 GBP</b> | <b>INR/ 1 JPY</b> |
| 74.58<br>(+0.07%)     | 86.66<br>(+0.36%)  | 95.18<br>(+0.33%)  | 0.70<br>(+0.85%)  |

### ❖ **Banking & Insurance**

#### • **Personal Accident Insurance for 2<sup>nd</sup> Hand Two-Wheeler Owners**

CredR is an omni - channel consumer brand for buying and selling used two-wheelers. The used two-wheeler brand CredR has joined hands with Digit Insurance, one of the fastest-growing insurance companies, to offer relevant and affordable personal accident group insurance cover to second-hand vehicle owners. This insurance will be made available to all customers who purchased a used two-wheeler from CredR.

<https://www.financialexpress.com/money/insurance/personal-accident-insurance-for-2nd-hand-two-wheeler-owners-digit-insurance-join-hands-with-credr/2035560/>

#### • **RBI releases the Financial Stability Report, July 2020**

In accordance with the 21st issue of Financial Stability Report (FSR), July 2020 released by Reserve Bank of India (RBI) on July 24, 2020, the gross nonperforming assets (GNPA) ratio of all scheduled commercial banks (SCBs) may increase from 8.5% in March 2020 to 12.5% by March 2021 under the baseline scenario; the ratio may escalate to 14.7% under a very severely stressed scenario.

While Public sector banks' (PSBs) gross bad loans ratio of 11.3% at the end of March, 2020 may increase to 15.2% by March 2021 under the baseline scenario, on the other hand, Private banks may see an increase from 4.2% to 7.3%.

[https://www.rbi.org.in/Scripts/BS\\_PressReleaseDisplay.aspx?prid=50122](https://www.rbi.org.in/Scripts/BS_PressReleaseDisplay.aspx?prid=50122)

#### • **NPAs set to rise sharply on COVID impact, financial system remains sound, says RBI**

According to the RBI, nearly 50 per cent of the customers, accounting for around half of outstanding bank loans, opted to avail the benefit of the relief measures — loan moratorium — to tackle the lockdown impact. The moratorium will end on August 31.

<https://indianexpress.com/article/business/banking-and-finance/npas-set-to-rise-sharply-on-covid-impact-financial-system-remains-sound-says-rbi-6522155/>

### ❖ **Business and Economic News**

#### • **Mistry family in talks with Investors to raise Rs. 4K cr, Aims to cut Debt**

[https://www.business-standard.com/article/companies/mistry-family-in-talks-with-investors-to-raise-rs-4k-cr-aims-to-cut-debt-120072700048\\_1.html](https://www.business-standard.com/article/companies/mistry-family-in-talks-with-investors-to-raise-rs-4k-cr-aims-to-cut-debt-120072700048_1.html)

#### • **Market will decide price of value added Non-Personal Data : Kris Gopalakrishnan, Infosys**

<https://economictimes.indiatimes.com/news/economy/policy/market-will-decide-price-of-value-added-non-personal-data-kris-gopalakrishnan-infosys/articleshow/77189074.cms?from=mdr>

#### • **After ban on 59 Chinese apps, 275 more on radar; list includes PubG, Resso**

[https://economictimes.indiatimes.com/tech/internet/after-ban-on-59-chinese-apps-275-more-on-radar/articleshow/77188360.cms?utm\\_source=contentofinterest&utm\\_medium=text&utm\\_campaign=cppst](https://economictimes.indiatimes.com/tech/internet/after-ban-on-59-chinese-apps-275-more-on-radar/articleshow/77188360.cms?utm_source=contentofinterest&utm_medium=text&utm_campaign=cppst)

### ❖ **Pronouncement**

NCLAT deliberated the matter of *C R Badrinath vs. Eight Capital India (M) Limited and Ors*, wherein an order of Adjudicating Authority admitting the application of the Respondent/Financial Creditor under section 7 of the Code has been challenged in front of Appellate Authority. NCLAT observed that impugned order is assailed mainly on the ground of limitation. However, the Adjudicating Authority has not given any finding concerning the issue of limitation. NCLAT opined that the Adjudicating Authority erred in admitting the application filed under Section 7 of the Insolvency and Bankruptcy Code, even though it was time-barred.

<https://nclat.nic.in/Useradmin/upload/1783350455f1ab2844ad3a.pdf>

### **Prepared by Directorate of Academics**

**For any suggestions, please write to [academics@icsi.edu](mailto:academics@icsi.edu), or call at 01204082269**

*Disclaimer : Although due care and diligence have been taken in preparation and uploading this info capsule, the Institute shall not be responsible for any loss or damage, resulting from any action taken on the basis of the contents of this info capsule. Anyone wishing to act on the basis of the material contained herein should do so after cross checking with the original source.*

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

ICSI Motto  
सत्यं वद। धर्मं चर। *Speak the truth. Obey the law.*

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

Connect with ICSI

[www.icsi.edu](http://www.icsi.edu) | [f](#) [t](#) [in](#) [v](#) [o](#) [o](#) | Online Helpdesk : <http://support.icsi.edu>