

Info Capsule

Monday
September 27, 2021

President : CS Nagendra D. Rao

Vice President : CS Devendra V. Deshpande

❖ Latest @ ICSI

EEE 2.0: Webinar on Delisting of Securities

The twenty sixth session of the EEE 2.0: Bi-weekly Webinar Series is scheduled on Tuesday, September 28, 2021 from 11:00 am to 01:00 pm on the topic "Delisting of Securities".

For details:

https://www.icsi.edu/media/webmodules/ICSI_Flyer_EEE_2_schedule_27092021.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 Finance

India needs 4 - 5 more banks like SBI to meet changing requirements of the Indian Economy: Nirmala Sitharaman (September 26, 2021)

Union Finance and Corporate Affairs Minister Smt. Nirmala Sitharaman has said that India needs four or five more banks like SBI. She said that we need to scale up banking to meet the changing requirements in light of shifting recent realities of economy and industry. The Union Minister shared this point of view with the banking community, during her keynote address at the 74th Annual General Meeting of the Indian Banks' Association (IBA) held on September 26, 2021 in Mumbai.

For details:

<https://pib.gov.in/PressReleasePage.aspx?PRID=1758243>

❖ Insolvency and Bankruptcy

IBBI board to discuss CoC Code of Ethics next week; may get notified by October (September 27, 2021)

Insolvency and Bankruptcy Board of India (IBBI) will hold a board meeting next week to discuss the Code of Ethics for the committee of creditors (CoC) involved in insolvency cases in the wake of deep haircuts taken by the banks and financial institutions in recent cases of insolvency resolution.

For details: -

<https://www.businesstoday.in/latest/corporate/story/ibbi-board-to-discuss-coc-code-of-ethics-next-week-may-get-notified-by-oct-307466-2021-09-23>

❖ *Securities Laws & Capital Markets*

SEBI News

- **SEBI might soon allow PE players to snap up, set up their own AMCs (September 27, 2021)**

Private Equity (PE) players may soon get more leeway to snap up asset management companies (AMCs) or set up their own. Market regulator SEBI is likely to further ease mutual fund (MF) ownership rules. The issue will be taken up at its board meeting scheduled for Tuesday. The board is also likely to ease the framework governing superior voting rights (SR shares), in a bid to give more flexibility to the founders of new-age companies to raise capital before going public. SEBI could also operationalise the framework to allow setting up of gold spot and social stock exchanges. At present, PE firms are not banned from acting as a MF sponsor. However, the prerequisites make it difficult for them to acquire or run a fund house.

For details : https://www.business-standard.com/article/markets/sebi-might-soon-allow-pe-players-to-snap-up-set-up-their-own-amcs-121092700089_1.html

- **SEBI disposes of proceedings against Kotak Mahindra Bank (September 25, 2021)**

SEBI disposed of proceedings against Kotak Mahindra Bank in a matter pertaining to the breach of investment limit in the scrip of Sathavahana Ispat Ltd by two foreign portfolio investors. However, in the same matter, SEBI has levied a fine of Rs 1 lakh on two foreign portfolio investors (FPIs) -- Heshika Growth Fund and Plutus Terra India Fund -- to be paid jointly and severally by them. Two separate orders were issued by the SEBI on September 24, 2021 in this regard. The proceedings against Kotak Mahindra Bank were initiated in its capacity as a designated depository participant (DDP). The charges levelled against the Noticee No.1, i.e., Kotak Mahindra Bank Limited do not stand established and hence no penalty is to be imposed upon it," SEBI said.

For details:

<https://economictimes.indiatimes.com/markets/stocks/news/sebi-disposes-of-proceedings-against-kotak-mahindra-bank/articleshow/86492461.cms>

❖ *Market Watch*

Stock Market Indices as on 27.09.2021	
S & P BSE Sensex	60077.88 (+29.41)
Nifty 50	17855.10 (+1.90)

Foreign Exchange Rates as on 24.09.2021 <i>(https://www.geojit.com/currency-futures/rbi-reference-rate)</i>			
INR / 1 USD	INR / 1 EUR	INR / 1 GBP	INR / 1 JPY
73.67	86.36	100.83	0.67

❖ **Indirect Tax**

Goods and Services Tax

- **Notification to make amendments (Eighth Amendment, 2021) to the CGST Rules, 2017 - Notification No. 35/2021- Central Tax (September 24, 2021)**

In the Central Goods and Services Tax Rules, 2017, — (1) In rule 10A of the said rules, with effect from the date as may be notified, - (a) after the words “details of bank account”, the words “which is in name of the registered person and obtained on Permanent Account Number of the registered person” shall be inserted; (b) the following proviso shall be inserted, namely:- “Provided that in case of a proprietorship concern, the Permanent Account Number of the proprietor shall also be linked with the Aadhaar number of the proprietor.”

For details:

<https://www.cbic.gov.in/resources//htdocs-cbec/gst/notfctn-35-central-tax-english-2021.pdf>

- **Notification to amend Notification No. 03/2021 dated 23.02.2021 - Notification No. 36/2021- Central Tax (September 24, 2021)**

The Central Government, on the recommendations of the Council, hereby makes the following amendment in the notification of the Government of India in the Ministry of Finance (Department of Revenue) No. 03/2021-Central Tax, dated the 23rd February, 2021 published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (i) vide number G.S.R. 132(E), dated the 23rd February, 2021, namely: - In the said notification, in the first paragraph after the words “hereby notifies that the provisions of”, the words, brackets, figure and letter “sub-section (6A) or” shall be inserted.

For details:

<https://www.cbic.gov.in/resources//htdocs-cbec/gst/notfctn-36-central-tax-english-2021.pdf>

- **Clarification in respect of refund of tax specified in section 77(1) of the CGST Act and section 19(1) of the IGST Act - Circular No. 162/18/2021- GST (September 25, 2021)**

The refund under section 77 of CGST Act/ Section 19 of IGST Act, 2017 can be claimed before the expiry of two years from the date of payment of tax under the correct head, i.e. integrated tax paid in respect of subsequently held inter-State supply, or central and state tax in respect of subsequently held intra-State supply, as the case may be.

For details:

https://www.cbic.gov.in/resources//htdocs-cbec/gst/Circular%20No.%20162_18_2021_GST.pdf

❖ **Direct Tax**

Income Tax 30th Amendment Rules 2021 [Notification No. 117 Dated Sept. 24, 2021]

The Central Board of Direct Taxes hereby makes the Income-tax (30th Amendment) Rules, 2021 as per which, in the Income-tax Rules, 1962, in rule 10TD [Safe Harbour Rules], in sub-rule (3B), for the words and figures “assessment year 2020-21”, the words and figures “assessment years 2020-21 and 2021-22” shall be substituted.

For details: <https://egazette.nic.in/WriteReadData/2021/229929.pdf>

❖ **Banking and Insurance**

Master Direction – Reserve Bank of India (Securitisation of Standard Assets) Directions, 2021 (September 24, 2021)

The Reserve Bank of India (RBI) has released draft frameworks for Securitisation of Standard Assets & Sale of Loan Exposures on June 8, 2020 for comments from various stakeholders. Based on the examination of the comments received, the RBI has issued the Master Directions on Securitisation of Standard Assets and Sale of Loan Exposures.

For details: https://www.rbi.org.in/Scripts/BS_PressReleaseDisplay.aspx?prid=52288

❖ **Intellectual Property Rights**

Patent Fees for Educational Institutions reduced by 80% Patents (Amendment) Rules, 2021 Notified (September 27, 2021)

Centre Encourages Innovation and Creativity in a Knowledge Economy

In a yet another significant push towards Mission Aatmanirbhar Bharat, benefits related to 80% reduced fee for patent filing & prosecution have been extended to Educational institutions as well. Centre has notified the amendments to the Patents Rules in this regard.

For details:

https://dpiit.gov.in/sites/default/files/Release_PatentAmendment_Rules_27September2021.pdf

❖ **Terminology for today**

Kiting

Writing a check in an amount that will overdraw the account but making up the deficiency by depositing another check on another bank.

❖ **Business and Economic News**

• **PM Modi : UPI transactions making economy more transparent (September 27, 2021)**

Prime Minister Narendra Modi on September 26, 2021 said growing volume of UPI transactions was making the economy more transparent and helping boost fintech. In his monthly radio broadcast Mann ki Baat, he also nudged Indians to buy khadi, handloom and handicraft products during the festival season as part of his push for local items.

For details:

<https://timesofindia.indiatimes.com/india/pm-modi-upi-transactions-making-economy-more-transparent/articleshow/86543855.cms>

• **Gallantt Ispat receives NCLT approval for scheme of amalgamation and slump sale (September 23, 2021)**

Gallantt Ispat announced that the Honorable National Company Law Tribunal, Kolkata Bench vide its order dated September 22, 2021 has approved the Scheme of Amalgamation of Gallant Metal, Gallant Ispat, AAR Commercial Company, Hipoline Commerce, Lexi Exports and Richie Credit and Finance and slump sale of power plant undertakings of Gallant Ispat to Gallant Metal.

For details: -

https://www.business-standard.com/article/news-cm/gallantt-ispatt-receives-nclt-approval-for-scheme-of-amalgamation-and-slump-sale-121092301420_1.html

❖ **International Business**

India likely to push for strict origin norms in UAE FTA talks (September 27, 2021)

India is likely to push for strict origin norms in its proposed free trade agreement (FTA) with the United Arab Emirates (UAE) to determine the source of goods and avoid circumvention as the latter is a trans-shipment hub.

For details:

<https://economictimes.indiatimes.com/news/international/uae/india-likely-to-push-for-strict-origin-norms-in-uae-fta-talks/articleshow/86545339.cms>

❖ **Ethics and Governance News**

Sony-Zee merger : Invesco stands by EGM demand for board rejig (September 26, 2021)

Invesco, the largest shareholder in the Subhash Chandra-backed firm, has put its foot down and insisted on the Extraordinary General Meeting (EGM) requisition which sought a newly reconstituted board and the removal of MD & CEO Punit Goenka. The demands of Invesco in the EGM are in contrast to the terms of the Zee-Sony non-binding merger announcement which leaves Goenka in charge as MD & CEO.

For details:

<https://www.moneycontrol.com/news/business/sony-zee-merger-invesco-stands-by-egm-demand-for-board-rejig-7508371.html>

❖ **Environmental Laws**

Central Government amends the Plastic Waste Management Rules, 2016 (September 17, 2021)

Ministry of Environment, Forest and Climate Change notified the Plastic Waste Management (Second Amendment) Rules, 2021, which has come into force w.e.f. September 17, 2021.

The amendment substituted Rule 4(1)(b) of the said rules. Now, the amended rules reads as under:

“(b) carry bags made of recycled plastic or products made of recycled plastic can be used for storing, carrying, dispensing, or packaging ready to eat or drink food stuff subject to the notification of appropriate standards and regulation under the Food Safety and Standards Act, 2006 by the Food Safety and Standards Authority of India;”

Earlier, Carry bags made of recycled plastic or products made of recycled plastic were not allowed to be used for storing, carrying, dispensing or packaging ready to eat or drink food stuff.

For details:

<https://moef.gov.in/wp-content/uploads/2021/09/Plastic-Waste-Management-Second-Amendment-Rules-2021.pdf>

Prepared by Directorate of Academics

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

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