

Info Capsule

Thursday
October 29, 2020

President : CS Ashish Garg

Vice President : CS Nagendra D. Rao

❖ **International News**

BSP to Stimulate SME Lending with New Credit Risk Database (October 29, 2020)

The BSP (Bangko Sentral ng Pilipinas) is in the process of building a credit risk database for SMEs, which it says will encourage lenders issue more loans with minimal collateral requirements.

BSP is said to be working with the JICA (Japanese International Corporation Agency) to gather data and develop a new credit rating model for SMEs, with the help of local banks – 18 of which have agreed to provide data to build the new database.

For details:

<https://www.regulationasia.com/bsp-to-stimulate-sme-lending-with-new-credit-risk-database/>



**THE INSTITUTE OF
Company Secretaries of India**

भारतीय कम्पनी सचिव संस्थान

IN PURSUIT OF PROFESSIONAL EXCELLENCE

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❖ **Securities Law**

Press Release

- **SEBI Chairman interacts with investors and other stakeholders from USA (October 28, 2020)**

Shri Ajay Tyagi, Chairman, SEBI had an e-interaction on October 27, 2020 with various stakeholders including industry and investor associations from United States of America (USA). The interaction was organized by US India Strategic Partnership Forum (USISPF). He briefed the key developments of the Indian economy as well as the recent trends in the securities market. The participants appreciated the various initiatives taken by SEBI and emphasized the need for early finalization of direct listing scheme, development of Corporate Bond market and further reforms in IPO regulations etc.

For details:

https://www.sebi.gov.in/media/press-releases/oct-2020/sebi-chairman-interacts-with-investors-and-other-stakeholders-from-usa-participants-emphasize-need-for-early-finalization-of-direct-listing-scheme-development-of-corporate-bond-market-and-further-re_48020.html

- **Frequently Asked Questions (FAQs) - Portfolio Managers (October 28, 2020)**

SEBI vide dated October 28, 2020 uploaded Frequently Asked Questions related to Portfolio Managers on its website.

For details:

https://www.sebi.gov.in/otherentry/oct-2020/faq-portfolio-managers_47397.html

SEBI Orders

- **Settlement Order in the matter of IL&FS Securities Services Ltd. (October 28, 2020)**

IL&FS Securities Services Ltd has settled with SEBI a case of alleged violation of market norms in respect of its risk participation arrangement with IL&FS Financial Services Ltd. The firm paid Rs 7.8 lakh towards settlement charges, as per a settlement order. IL&FS Securities Services is a clearing member of the National Stock Exchange and is also registered with SEBI, while IL&FS Financial Services is registered with the Reserve Bank of India as a non-banking financial company (NBFC).

For details:

https://www.sebi.gov.in/enforcement/orders/oct-2020/settlement-order-in-the-matter-of-ilandfs-securities-services-ltd-_48022.html

<https://economictimes.indiatimes.com/markets/stocks/news/ilfs-securities-services-pays-rs-7-8-lakh-to-settle-case-with-sebi/articleshow/78913050.cms>

❖ Direct Tax

- **Clarifications in respect of the Direct Tax Vivad se Vishwas Act, 2020 (Circular No. 18 Dated October 28, 2020)**

The Central Government vide notification dated October 27, 2020 has extended the date for payment without additional amount under Vivad se Vishwas from December 31, 2020 to March 31, 2021. The said notification also notified the last date for filing declaration under Vivad se Vishwas as December 31, 2020.

However, under the existing provisions of the Vivad se Vishwas Scheme, the declarant is required to pay the amount within a period of 15 days from the date of receipt of certificate from the designated authority. But as per the aforesaid notification, a declarant who files declaration on or before December 31, 2020 can make payment without additional amount on or before March 31, 2021. Hence, requiring payment by the declarant within a period of 15 days from the date of receipt of certificate from the designated authority may result into undue hardship for the declarant in whose case the period of 15 days expires before March 31, 2021.

Therefore, it is hereby clarified that where a declarant files a declaration under Vivad se Vishwas Scheme on or before December 31, 2020, the designated authority, while issuing the certificate, shall allow declarant to make payment without additional amount on or before March 31, 2021.

For details:

https://www.incometaxindia.gov.in/communications/circular/circular_18_2020.pdf

❖ **Indirect Tax**

Goods and Services Tax

- **Extension in Due Date of Return – Notification No. 80/2020 – Central Tax (October 28, 2020)**

This notification seeks to amend Notification no. 41/2020-Central Tax dated May 05, 2020 to extend due date of return under Section 44 from October 31 to December 31, 2020.

For details : <https://www.cbic.gov.in/resources//htdocs-cbec/gst/notfctn-80-central-tax-english-2020.pdf>

Customs

- **Manufacturing and other operations undertaken in Bonded Warehouses – Circular No. 48/2020 (October 27, 2020)**

A Unit registered under the Section 65 of the Customs Act, 1962, can perform job work operations and shall maintain due accounting of such job work as per the provisions of GST law. In case any imported inputs which are warehoused are consumed during the job work process, duty shall be paid on such goods (i.e. the warehoused goods) by filing Ex-Bond Bill of Entry, when such job worked goods are returned to the principal/owner.

For details: <https://www.cbic.gov.in/resources//htdocs-cbec/customs/cs-circulars/cs-circulars-2020/Circular-No-48-2020.pdf>

- **Extension in BCD on Lentils – Notification No. 39/2020 – Customs (October 28, 2020)**

This Notification seeks to further amend notification No. 50/2017-Customs dated June 30, 2017 so as to extend the concessional Basic Customs Duty on Lentils (Mosur) till December 31, 2020.

For details:

<https://www.cbic.gov.in/resources//htdocs-cbec/customs/cs-act/notifications/notfns-2020/cs-tarr2020/cs39-2020.pdf>

- **Concessional BCD rate on Potato Imports – Notification No. 40/2020 – Customs (October 28, 2020)**

This notification seeks to prescribe concessional Basic customs duty rate on potato imports with the prescribed Tariff Rate Quota (TRQ) till the January 31, 2021. The TRQ authorization shall contain name and address of the importer, IEC code, Customs notification No., sub-heading or tariff item as applicable, quantity and validity period of certificate. The TRQ authorization shall be issued electronically by the Directorate General of Foreign Trade and transmitted to ICES system.

For details:

<https://www.cbic.gov.in/resources//htdocs-cbec/customs/cs-act/notifications/notfns-2020/cs-tarr2020/cs40-2020.pdf>

❖ **Banking & Insurance**

• **SBI inks \$1 bn pact with JBIC to help Auto Firms (October 29, 2020)**

State Bank of India (SBI) on October 28, 2020 said it has signed a loan agreement of \$1 billion with Japan Bank for International Cooperation (JBIC). Under the pact, Japanese financial institutions will provide funds for the manufacturers, suppliers and dealers of Japanese automobiles in the country. Of the total loan amount, \$600 million will be financed by JBIC and \$400 million by other participating Japanese banks such as SMBC, MUFG Bank, Mizuho Bank, Shizuoka Bank and Bank of Yokohama.

For details:

<https://www.livemint.com/industry/banking/sbi-inks-1-bn-pact-with-jbic-to-help-auto-firms-11603906218578.html>

❖ **Economic Law**

• **Consolidated FDI Policy Circular of 2020(October 29, 2020)**

Department for Promotion of Industry and Internal Trade Ministry of Commerce and Industry, Government of India has come out with Consolidated FDI Policy effective from October 15, 2020. The mentioned policy has put in place a policy framework on FDI, which is transparent, predictable and easily comprehensible.

For details:

<https://dipp.gov.in/sites/default/files/FDI-PolicyCircular-2020-28October2020.pdf>

❖ **Market Watch**

Capital Market	
S & P BSE Sensex	39749.85 (-172.61)
Nifty 50	11670.80 (-58.80)

Reference Rate (https://www.fbil.org.in/#/home)			
INR / 1 USD	INR / 1 EUR	INR / 1 GBP	INR/ 1 JPY
73.765	86.9237	96.2997	.7077

Prepared by Directorate of Academics

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

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