

Info Capsule

Thursday
December 30, 2021

President : CS Nagendra D. Rao

Vice President : CS Devendra V. Deshpande

❖ Latest @ ICSI

ICSI SIRC Convocation (Second Round) at Kochi on 12th January, 2022

The Institute is organizing Convocation of the Southern Region for awarding the certificate of membership to its Associate and Fellow members admitted during the period from 1st April, 2021 to 30th September, 2021 and also to award prizes/medals to meritorious students (National) and winner students of national level competitions. Eligible members shall be admitted to the Convocation venue subject to their confirming participation by 6th January, 2022 (Thursday) through online submission of the Registration Form at the link: : <https://forms.gle/8pUhmSQA78xiStRN6>

For details:

https://www.icsi.edu/media/web-modules/29122021_ICSI_SIRC_Convocation_2021_SecondRound_at_Kochi_on_12th_January_2022.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

Relaxation on levy of additional fees in filing of e-forms AOC-4, AOC-4 (CFS), AOC-4 XBRL, AOC-4 Non-XBRL and MGT-7/MGT-7A for the financial year ended on 31.03.2021 under the Companies Act, 2013 (December 29, 2021)

The MCA has relaxed the levy of additional fees for annual financial statement/return filings required to be done for the financial year ended on 31.03.2021. Vide this Circular, it has been provided that no additional fees shall be levied upto 15.02.2022 for the filing of e-forms AOC-4, AOC-4 (CFS), AOC-4 XBRL, AOC-4 Non-XBRL and upto 28.02.2022 for filing of e-forms MGT-7/MGT-7A in respect of the financial year ended on 31.03.2021 respectively. During the said period, only normal fees shall be payable for the filing of the aforementioned e-forms.

For details:

<https://www.mca.gov.in/bin/dms/getdocument?mds=y7MsuJR2BoOvDvpg8FREsg%253D%253D&type=open>

❖ Terminology for today

Blended Rate

A blended rate is an interest rate charged on a loan that represents the combination of a previous rate and a new rate. Blended rates are usually offered through the refinancing of existing loans that are charged a rate of interest that is higher than the old loan's rate, but lower than the rate on a brand-new loan.

❖ **Securities Laws & Capital Markets**

SEBI Circular

- **Non-compliance with provisions related to continuous disclosures (December 29, 2021)**
In the interests of investors and the securities market, the Stock Exchanges shall levy fine and take action in case of non-compliances with continuous disclosure requirements by the issuers of listed Non-Convertible Securities and/ or Commercial Paper as specified in Annexure I and Annexure II of this circular respectively. However, Stock Exchanges may deviate from the above, if found necessary, only after recording reasons in writing. The fines shall continue to accrue till the time of rectification of the non-compliance and to the satisfaction of the concerned recognized stock exchange. Such accrual shall be irrespective of any other disciplinary/enforcement action(s) initiated by recognized stock exchange(s)/SEBI. This circular shall come into force for the due dates of compliances falling on or after February 01, 2022.

For details:

https://www.sebi.gov.in/legal/circulars/dec-2021/non-compliance-with-provisions-related-to-continuous-disclosures_55070.html

SEBI NEWS

- **SEBI makes unitholders' consent a must for winding up mutual fund scheme (December 28, 2021)**
SEBI in its board meeting on December 28, 2021 made it mandatory for Mutual Fund (MF) trustees to take consent of unitholders' when winding-up any MF scheme. Franklin Templeton MF's decision to wind-up six of its schemes in April 2020, had forced unitholders to move courts to question the legality of such a decision. In the year-long legal tussle, the Supreme Court (SC) eventually upheld that unitholders' approval was necessary for winding-up of any MF scheme. SEBI in its board meeting stated that "the trustees shall obtain consent of the unitholders by simple majority of the unitholders present and voting on the basis of one vote per unit." However, if unitholders vote against such a wind-up, the scheme will be re-opened for investments and withdrawals from the second business day after the voting results are published.
- **SEBI board tightens rules for utilisation of IPO proceeds (December 28, 2021)**
SEBI decided to put a cap on IPO proceeds earmarked for making future acquisition of unspecified targets and will bring under monitoring the funds reserved for general corporate purposes. The regulator has prescribed certain conditions for selling shares in an Offer-for-Sale (OFS) under IPO by significant shareholders and has extended anchor investors' lock-in period to 90 days, according to a statement issued by SEBI after its board meeting. In addition, SEBI has decided to revise allocation methodology for Non-institutional Investors (NIIs). This comes amid a slew of new-age technology companies filing draft papers with SEBI to raise funds through initial public offerings (IPOs).

For details:

https://www.business-standard.com/article/markets/sebi-clears-amendments-to-various-regulations-tightens-norms-for-ipos-121122800846_1.html

❖ Indirect Tax

Goods and Services Tax

- **Central Goods and Services Tax (Tenth Amendment) Rules, 2021 – Notification No. 40/2021- Central Tax (December 29, 2021)**

Rule 36(4) of Central Goods and Services Tax Rules, 2017 shall be substituted, with effect from January 01, 2022, to provide that Input Tax Credit shall not be available to the registered person unless such invoices/debit notes have been reflected in GSTR-2B of the said person.

Due date for GSTR-9 as well as GSTR-9C for the Financial Year 2020-21 has been extended from December 31, 2021 to February 28, 2022.

Rule 95 has been amended to provide that where Unique Identity Number of the applicant is not mentioned in a tax invoice, the refund of tax paid by the applicant on such invoice shall be available only if the copy of the invoice, duly attested by the authorized representative of the applicant, is submitted along with the refund application in FORM GST RFD-10.

For details:

<https://www.cbic.gov.in/resources//htdocs-cbec/gst/notfctn-40-central-tax-english-2021.pdf>

❖ Market Watch

Stock Market Indices as on 30.12.2021

S & P BSE Sensex	57794.32 (-12.17)
Nifty 50	17203.95 (-9.65)

Foreign Exchange Rates as on 29.12.2021

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

INR / 1 USD	INR / 1 EUR	INR / 1 GBP	INR/ 1 JPY
74.68	84.52	100.34	0.65

❖ **Banking and Insurance**

• **Maintenance of Current Accounts in multiple banks by Insurance Intermediaries including entities sponsored by them (December 29, 2021)**

It has been observed that the insurance intermediaries maintain multiple current accounts with banks at different operational levels, i.e., Branch offices, Corporate office, etc., for regulatory and other purposes. Based on the requests received by the Authority, to avoid hardships, if any, faced by the insurance intermediaries in maintaining current accounts with banks, it is clarified that the respective insurance intermediaries including entities sponsored by them may maintain current accounts in appropriate number of banks for the purpose of meeting regulatory requirements, reinsurance business, etc. that are in line with conditions given in regulations, guidelines, circulars issued by the Authority.

For details:

https://www.irdai.gov.in/ADMINCMS/cms/whatsNew_Layout.aspx?page=PageNo4616&flag=1

• **NPAs can spike to 9.5% by Sept in 'severe stress scenario' (December 30, 2021)**

Macro-stress tests conducted by the Reserve Bank of India (RBI) for credit risk show that Scheduled Commercial Banks' Gross NPA ratio may increase from 6.9 per cent in September 2021 to 8.1 per cent by September 2022 under the baseline scenario and to 9.5 per cent under a severe stress scenario. Banks' retail-led credit growth model is heading into headwinds even as inquiry volumes with lenders show credit demand rising from sub-prime consumers, particularly after the Covid second wave, according to the RBI's latest *Financial Stability Report* (FSR).

For details:

<https://www.thehindubusinessline.com/money-and-banking/npas-can-spike-to-95-by-sept-in-severe-stress-scenario/article38066235.ece>

Prepared by Directorate of Academics

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

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।
कृदाकं तेन। त्वाकं। श्लोके। त्वा। त्वा। त्वा।

MISSION

"To develop high calibre professionals facilitating good corporate governance"

Connect with ICSI

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