



**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)

# INFO CAPSULE

## Series - 5 (101-150)



**Motto**

**सत्यं वद। धर्मं चर।**

**“इष्टाकरं तेह त्वापके बोधेदे ह्यु तेह त्वज्ज”**



# *From the President*

*Today a reader, tomorrow a leader*  
- Margaret Fuller

The beauty about knowledge and learning is that the hunger and thirst for the same can never be satiated or quenched. Rather, it is this consistent approach to keep treading on the path of gaining and attaining knowledge that makes us a true professional. Living in the era of globalisation wherein numerous developments occurring in one part of the globe exert impact on other part of the globe or countries, it becomes imperative that measures are taken steadfastly to brace their short as well as long-term impact. Needless to say, the same is next to impossible without complete and thorough information in our hands.

While Change is the only constant and dynamism is what lends substance to the Indian Corporate Sector, it seems only compelling that those serving this sector are at any given time fully and totally updated of the happenings and occurrences in the related aspects and arenas. Not only does it lend credibility to the professional but essence to the entire profession.

It is for all these reasons and even more that the Institute of Company Secretaries of India (ICSI) had rolled out this unique and distinctive initiative of 'Info Capsule'. The idea behind the same was to make all the stakeholders conversant with latest updates pertaining to corporate laws, securities and capital market laws, business environment, stock and forex markets, banking and insurance etc. on daily basis.

Further, the Combined Edition of the Info Capsule is an endeavour to provide all the latest developments topic-wise that have taken place during a particular period in various laws or sectors for facilitating ease of learning for the academicians, professionals, researchers, and other stakeholders. The Institute is pleased to publish fifth combined edition of the Info Capsule in continuation of the mentioned efforts.

I extol the efforts of the Directorate of Academics for their unrelenting efforts in bringing out the Info Capsule on daily basis as well as the fifth combined edition (Series-5) of the Info Capsule. I hope that both the individual and collated documents shall fulfil their intended purposes.

I wish all the readers a happy reading!!!!

With warm regards,

**(CS Nagendra D. Rao)**  
*President*  
ICSI

# Contents

S.No.	Topic	Page No.
1.	Latest @ ICSI	1
2.	Ministry of Corporate Affairs	11
3.	Securities Laws and Capital Markets	19
4.	NCLT/NCLAT	53
5.	Insolvency, Bankruptcy and Corporate Restructuring <ul style="list-style-type: none"><li>○ <i>Compromises, Arrangements and Amalgamations</i></li><li>○ <i>Disinvestment</i></li></ul>	56 61 62
6.	Direct Tax	63
7.	Indirect Tax	67
8.	Ministry of Finance	78
9.	Competition Laws and Economic Laws	80
10.	Labour Laws	83
11.	Banking and Insurance	84
12.	Ministry of Environment, Forest and Climate Change	101

14.	Business and Economic News	109
15.	Ministry of Law and Justice	129
16.	General Laws & Arbitration	130
17.	International Business	132
18.	Pronouncements	133
	○ <i>Crucial Judgments of 2020</i>	141
19.	Terminology	142
21.	Union Budget 2021-22	150
22.	Market Watch - Graph (Nov 19, 2020 - Feb 01, 2021)	157

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

# Latest @ ICSI

## Info Capsule Series 5

- **The ICSI signed a MOU with Sikkim Manipal University (SMU), Sikkim & ICFAI University, Sikkim (November 18, 2020)**

The ICSI signed a Memorandum of Understanding with Sikkim Manipal University and ICFAI University, Sikkim under the ICSI Academic Collaborations Initiative. The objective of the MOU is to bring together the efforts of the institutes for imparting knowledge and honing the skills of students, academicians and professionals of these Institutes.

*For details:*

[https://www.icsi.edu/media/webmodules/PR\\_ICSI\\_signs\\_MOU\\_AcademicCollaboration\\_SMU&ICFAIUniversity.pdf](https://www.icsi.edu/media/webmodules/PR_ICSI_signs_MOU_AcademicCollaboration_SMU&ICFAIUniversity.pdf)

- **COVID 19-Regulatory Updates-Vol. 5 (November 18, 2020)**

The ICSI has published COVID19- Regulatory Updates Series, Vol. 5 comprising of relief measures undertaken by various authorities in view of the ongoing pandemic.

*For details:*

[https://www.icsi.edu/media/webmodules/COVID\\_19\\_REGULATORY\\_UPDATES\\_VOL\\_5.pdf](https://www.icsi.edu/media/webmodules/COVID_19_REGULATORY_UPDATES_VOL_5.pdf)

- **CSEET e-bulletin for the month of November 2020 (November 19, 2020)**

The ICSI has published online the 8th Issue of CSEET e-bulletin, for the month of November, 2020

*For details:*

[https://www.icsi.edu/media/webmodules/CSEET/CSEET\\_e\\_bulletin\\_November\\_2020.pdf](https://www.icsi.edu/media/webmodules/CSEET/CSEET_e_bulletin_November_2020.pdf)

- **The ICSI signs MoU with Poonawalla Finance Private Limited for Special Term Loan for Company Secretaries (November 21, 2020)**

The ICSI has signed a MoU with Poonawalla Finance Private Limited (PFPL), for a special financial assistance scheme for Company Secretary Professionals. Under the scheme, PFPL would provide a collateral-free special Term Loan product to over 65,000 Company Secretaries across India with zero processing fees for loans upto 36 months, attractive interest rate, zero prepayment charges, 100% digital processing with minimum documentation and other benefits.

*For details:*

[https://www.icsi.edu/media/webmodules/PR\\_ICSI\\_signs\\_MoU\\_with\\_PoonawallaFinancePvtLtd\\_Special\\_Term\\_Loan\\_CS.pdf](https://www.icsi.edu/media/webmodules/PR_ICSI_signs_MoU_with_PoonawallaFinancePvtLtd_Special_Term_Loan_CS.pdf)

- **The ICSI signed various MoUs for Academic Collaboration with Universities and Institutes of the North Eastern States (November 23, 2020)**

The ICSI has recently signed various MoUs with the following Universities & Institutes of the North-eastern Region under the ICSI Academic Collaboration Initiative:

- The ICFAI University Sikkim, Gangtok, Sikkim
- Sikkim Manipal University Gangtok, Sikkim
- Apex Professional University, Pasighat, Arunachal Pradesh
- Assam Don Bosco University, Guwahati, Assam
- The Assam Royal Global, Guwahati, Assam
- Manipur University, Imphal, Manipur

The objective of the MOUs' is to facilitate a comprehensive partnership in the areas of joint academic research, joint workshops, professional development & faculty development programmes along with sharing of resources and participation at Regional and National Conferences. The collaboration would help in imparting knowledge along with honing the skills of students, academicians and professionals of these Institutes.

*For details:*

[https://www.icsi.edu/media/webmodules/PR\\_ICSI\\_signs\\_various\\_MoUs\\_AcademicCollaboration%20with%20Universities\\_NE\\_States\\_India.pdf](https://www.icsi.edu/media/webmodules/PR_ICSI_signs_various_MoUs_AcademicCollaboration%20with%20Universities_NE_States_India.pdf)

- **Declaration of Result of Company Secretary Executive Entrance Test (CSEET) - November, 2020**

The Result of CS Executive Entrance Test (CSEET) held on November 21 and 22, 2020 would be declared on Thursday, **November 26, 2020 at 2:00 P.M.**

*For details :*

[https://www.icsi.edu/media/webmodules/Declaration\\_Result\\_CSEET\\_Nov2020.pdf](https://www.icsi.edu/media/webmodules/Declaration_Result_CSEET_Nov2020.pdf)

- **Important Instructions to Examinees - December, 2020 Examination (November 26, 2020)**

The ICSI has issued important instructions to Examinees for December, 2020 Examination for Executive and Professional Programme as well as Computer Based Examination for CS Foundation Programme.

*For details:*

[https://www.icsi.edu/media/webmodules/Instructions\\_Examinees-Dec2020.pdf](https://www.icsi.edu/media/webmodules/Instructions_Examinees-Dec2020.pdf)

[https://www.icsi.edu/media/webmodules/Dec2020-Instructions\\_Examinees-CBED-2020.pdf](https://www.icsi.edu/media/webmodules/Dec2020-Instructions_Examinees-CBED-2020.pdf)

- **Result of CS Executive Entrance Test (CSEET) held in November, 2020 (November 26, 2020)**

The ICSI has declared the result of Company Secretary Executive Entrance Test (CSEET) held on November 21 & 22, 2020 on November 26, 2020 at 2:00 PM. The results have been made available on the website of the Institute, [www.icsi.edu](http://www.icsi.edu) and the candidates may also download the e-Result-cum-Marks Statement from the same.

*For details:*

[https://www.icsi.edu/media/webmodules/PressRelease\\_26112020.pdf](https://www.icsi.edu/media/webmodules/PressRelease_26112020.pdf)

<https://admitcardbuilder2.azurewebsites.net/scorecard/E122KAB374/>

- **Crash Course on Business Responsibility Reporting (BRR) for Members of ICSI (December 04, 2020)**

In order to make businesses more transparent, reliable and accountable, the MCA has introduced "The National Guidelines for Responsible Business Conduct, 2018 (NGRBC)" and it is inadvertent for professionals such as Company Secretaries to understand the concept and implication of NGRBC Guidelines *vis-à-vis* BRR. Keeping the motive of up-skilling its members in the new concept of NGRBC and BRR, the ICSI has come up with **Crash Course on Business Responsibility Reporting (BRR)**.

*For details:*

[https://www.icsi.edu/media/webmodules/ICSI\\_Flyer\\_BRR.pdf](https://www.icsi.edu/media/webmodules/ICSI_Flyer_BRR.pdf)

- **Crash Course on Court Craft, Pleading and Appearances for Members of ICSI (December 04, 2020)**

As conducting the affairs in the court is an art and requires skill, constant improvisation and practical implications. The ICSI with the motive of ensuring effective court presence in various judicial authorities of its members, has come up with **Crash Course on Court Craft, Pleading and Appearances**.

*For details:*

[https://www.icsi.edu/media/webmodules/ICSI\\_Flyer\\_CCPA.pdf](https://www.icsi.edu/media/webmodules/ICSI_Flyer_CCPA.pdf)

- **Announcement of 15 Days e-Academic Program (December 04, 2020)**

The ICSI has announced a 15 Days e-Academic Programme including 8 days e-EDP (03 days e-governance and 05 days Skill Development Programme).

*For details:*

[https://www.icsi.edu/media/webmodules/Announcement\\_of\\_04th\\_batch\\_of\\_15\\_Days\\_Academic\\_Programme.pdf](https://www.icsi.edu/media/webmodules/Announcement_of_04th_batch_of_15_Days_Academic_Programme.pdf)

- **Hon'ble Minister Shri Arjun Ram Meghwal inaugurates ICSI's 48th National Convention of Company Secretaries, at Indore, Madhya Pradesh (December 17, 2020)**

The 48th National Convention of Company Secretaries was inaugurated on December 17, 2020 at Amber Convention Centre, Indore, on the theme "Governance: From Grassroots to Global" in the august presence of Hon'ble Minister of State for Parliamentary Affairs and Heavy Industries & Public Enterprises, Government of India, Shri Arjun Ram Meghwal, as the Chief Guest and Hon'ble Member of Parliament, Lok Sabha, Shri Shankar Lalwani, as the Guest of Honour.

*For details:*

[https://www.icsi.edu/media/webmodules/PRESS\\_RELEASE\\_National\\_Convention\\_Inaugural.pdf](https://www.icsi.edu/media/webmodules/PRESS_RELEASE_National_Convention_Inaugural.pdf)

- **The ICSI confers Honorary CS Degree on Hon'ble Minister of State for Finance and Corporate Affairs, Shri Anurag Singh Thakur at the 48th National Convention of Company Secretaries (December 19, 2020)**

The ICSI has conferred the Honorary CS Degree onto Hon'ble Minister of State for Finance and Corporate Affairs, Shri Anurag Singh Thakur in the virtual presence of Chief Guest of the day, Shri Om Birla, Hon'ble Speaker, Lok Sabha, on the third day of the 48th National Convention of Company Secretaries, at Indore.

*For details:*

[https://www.icsi.edu/media/webmodules/PR\\_NationalConvention3rdDay.pdf](https://www.icsi.edu/media/webmodules/PR_NationalConvention3rdDay.pdf)

- **National E-Convocation of ICSI (December 19, 2020)**

The ICSI is holding its first ever national E-Convocation in the first / second week of January, 2021 for awarding certificates to its Associate & Fellow members who have received their membership during the period from October 01, 2019 till September 30, 2020 (i.e. ACS 59867 to ACS 63260 / FCS 10427 to FCS 10783).

*For details:*

[https://www.icsi.edu/media/webmodules/ICSI\\_national\\_E\\_Convocation\\_2020.pdf](https://www.icsi.edu/media/webmodules/ICSI_national_E_Convocation_2020.pdf)

- **Corporate Secretary's Tool Kit Training Programme (December 19, 2020)**

The ICSI invites applications for Corporate Secretary's tool kit Training Programme on Governance, Risk & Compliances [GRC] - International Practices and Role of CS (Session-1). The online Corporate Secretary's Tool Kit Training Programme is organized by ICSI in association with Corporate Secretaries International Association (CSIA) and International Finance Corporation (IFC). The Programme is aimed at developing skill sets of the new age Governance Professionals and emphasises on their role in developing good corporate governance practices.

*For details:*

[https://www.icsi.edu/media/webmodules/CORPORATE\\_SECRETARY%E2%80%99S\\_TOOL\\_KIT\\_FLYER.p  
df](https://www.icsi.edu/media/webmodules/CORPORATE_SECRETARY%E2%80%99S_TOOL_KIT_FLYER.pdf)

- **ICSI Global Connect Newsletter (December 20, 2020)**

The ICSI has published volume -1 of ICSI Global Connect, an International Newsletter for Governance Professional covering Recent Regulatory Developments around the World.

*For details:*

[https://www.icsi.edu/media/webmodules/ICSI\\_Global\\_Connect\\_Newsletter.pdf](https://www.icsi.edu/media/webmodules/ICSI_Global_Connect_Newsletter.pdf)

- **Guidance Notes on ICSI Auditing Standards (CSAS-1 to CSAS-4) (December 21, 2020)**

The ICSI has issued Guidance Notes on its Auditing Standards which sets out the explanations, procedures and practical aspects in respect of the various provisions contained in ICSI Auditing Standards (CSAS-1 to CSAS-4) to facilitate compliance thereof by the stakeholders.

*For details:*

[https://www.icsi.edu/media/webmodules/Exposure\\_Draft\\_of\\_Guidance\\_Note\\_on\\_Auditing\\_Standard\\_on\\_Secretarial\\_Audit\\_CSAS\\_4.pdf](https://www.icsi.edu/media/webmodules/Exposure_Draft_of_Guidance_Note_on_Auditing_Standard_on_Secretarial_Audit_CSAS_4.pdf)

- **HDFC-ICSI MOU (December 23, 2020)**

HDFC has signed MOU with the ICSI for offering home loans at concessional rate to CS Members with Membership Certificate and Membership Number.

*For details:*

[https://www.icsi.edu/media/webmodules/HDFC\\_ICSI\\_leaflet.pdf](https://www.icsi.edu/media/webmodules/HDFC_ICSI_leaflet.pdf)

- **Signing of MoU between ICSI and IIM, Nagpur (December 28, 2020)**

The ICSI has signed MOU with IIM, Nagpur on December 17, 2020 during 48th National Convention of Company Secretaries under “ICSI Academic Connect” initiative of ICSI.

*For details:*

[https://www.icsi.edu/media/webmodules/IMG\\_20201226\\_WA0036.jpg](https://www.icsi.edu/media/webmodules/IMG_20201226_WA0036.jpg)

- **ICSI Overseas Centre, Singapore (December 19, 2020)**

The ICSI has inaugurated its Overseas Centre at Singapore, on December 19, 2020, during the 48<sup>th</sup> National Convention of Company Secretaries in the benign presence of Shri Om Birla Hon’ble Speaker, Lok Sabha and Shri Anurag Singh Thakur, Hon’ble Minister of State for Finance and Corporate Affairs, Government of India.

*For details:*

[https://www.icsi.edu/whats\\_new\\_icsi/](https://www.icsi.edu/whats_new_icsi/)

- **Request for extension of timelines of various compliances due to COVID-19 (December 24, 2020)**

The ICSI has requested MCA to consider further relaxations in due dates of the following compliances till March 31, 2021, on account of the difficulties and hardship faced by the stakeholders due to the COVID-19 pandemic:

- Companies Fresh Start Scheme, 2020 (CFSS2020)
- LLP Settlement Scheme, 2020
- Scheme for relaxation of time for filing forms related to creation or modification of charges under the Companies Act, 2013
- Holding Board Meeting through Video Conferencing
- Companies to hold EGMs or transact business through postal ballots through VC or OAVM

*For details:*

[https://www.icsi.edu/media/webmodules/A\\_Request\\_for\\_extension\\_of\\_timelines\\_due\\_to\\_COVID-19.pdf](https://www.icsi.edu/media/webmodules/A_Request_for_extension_of_timelines_due_to_COVID-19.pdf)

- **Signing of MoU between ICSI and IIM, Amritsar and Savitribai Phule University, Pune (December 29, 2020)**

The ICSI has signed MOU with IIM, Amritsar and Savitribai Phule University, Pune on December 17, 2020 during 48th National Convention of Company Secretaries under “ICSI “Academic Connect” initiative of ICSI.

*For details:*

<https://www.icsi.edu/media/webmodules/Amritsar.jpg>

[https://www.icsi.edu/media/webmodules/MoU\\_Pune.jpg](https://www.icsi.edu/media/webmodules/MoU_Pune.jpg)

- **Invitation to attend ICSI Convocation scheduled to be held on 18th January, 2021 (December 29, 2020)**

The ICSI has opened registration for physical convocation which will be held in parallel to e-Convocation scheduled to be held on January 18, 2021. The Convocation in physical mode will be held at the four Regional Centres of ICSI at Kolkata, Delhi NCR, Chennai and Mumbai.

*For details:*

[https://www.icsi.edu/media/webmodules/Convocation\\_2020.pdf](https://www.icsi.edu/media/webmodules/Convocation_2020.pdf)

- **Signing of MoU between ICSI and Devi Ahilya Vishwavidyalaya, Indore (December 29, 2020)**

The ICSI has signed MOU with Devi Ahilya Vishwavidyalaya, Indore on December 17, 2020 during 48<sup>th</sup> National Convention of Company Secretaries under “Academic Connect” initiative of ICSI.

*For details:*

[https://www.icsi.edu/media/webmodules/MoU\\_Devi\\_Ahilya\\_Vishwavidyalaya\\_.jpg](https://www.icsi.edu/media/webmodules/MoU_Devi_Ahilya_Vishwavidyalaya_.jpg)

- **Signing of MoU between ICSI and IIM, Ahmedabad and IIM Sirmaur, Himachal Pradesh (December 30, 2020)**

The ICSI has signed MOU with IIM, Ahmedabad and IIM Sirmaur, Himachal Pradesh on December 19, 2020 during 48<sup>th</sup> National Convention of Company Secretaries under “Academic Connect” initiative of ICSI.

*For details:*

[https://www.icsi.edu/media/webmodules/MoU\\_Ahmedabad\\_\\_Himachal\\_Pradesh.jpg](https://www.icsi.edu/media/webmodules/MoU_Ahmedabad__Himachal_Pradesh.jpg)

- **Signing of MoU between ICSI and IIM, Jammu and University of Jammu (January 02, 2021)**

The ICSI has signed MoU with IIM, Jammu and University of Jammu on December 30, 2020 under “Academic Connect” initiative of ICSI.

*For details:*

[https://www.icsi.edu/media/webmodules/MoU\\_IIM\\_and\\_University\\_of\\_Jammu.jpg](https://www.icsi.edu/media/webmodules/MoU_IIM_and_University_of_Jammu.jpg)

- **Signing of MoU between ICSI and Central University of Kashmir, Srinagar (January 02, 2021)**

The ICSI has signed MoU with Central University of Kashmir, Srinagar on December 31, 2020 under “Academic Connect” initiative of ICSI.

*For details:*

[https://www.icsi.edu/media/webmodules/MoU\\_University\\_of\\_Kashmir.jpg](https://www.icsi.edu/media/webmodules/MoU_University_of_Kashmir.jpg)

- **ICSI-21st National Conference of Student Company Secretaries (Yuvotsav-2021) (January 03, 2021)**

ICSI-SIRC in Association with ICSI-Hyderabad Chapter is organising Yuvotsav 2021 on January 12, 2021.

*For details:*

[https://www.icsi.edu/media/webmodules/Brochure\\_for\\_Yuvotsav\\_2021.pdf](https://www.icsi.edu/media/webmodules/Brochure_for_Yuvotsav_2021.pdf)

- **Invitation to attend ICSI Convocation scheduled to be held on January 18, 2021 (January 04, 2021)**

The registration for physical convocation, which will be held in parallel to E-Convocation on January 18, 2021, is again open till 10: 00 AM of January 05, 2021. Eligible members have to confirm their participation in the physical convocation by 10: 00 AM of January 05, 2021 if not confirmed earlier.

*For details:*

[https://www.icsi.edu/media/webmodules/ICSI\\_Convocation\\_2020.pdf](https://www.icsi.edu/media/webmodules/ICSI_Convocation_2020.pdf)

- **21<sup>st</sup> National Conference of Practising Company Secretaries**

The ICSI is organising 21<sup>st</sup> National Conference of Practising Company Secretaries on January 15-16, 2021 at Inder Residency, Udaipur.

*For details:*

[https://www.icsi.edu/media/webmodules/Block\\_Your\\_Diary\\_Flyer.jpg](https://www.icsi.edu/media/webmodules/Block_Your_Diary_Flyer.jpg)

[https://www.icsi.edu/media/webmodules/ICSI\\_Labour\\_law\\_Brochure\\_Final4.pdf](https://www.icsi.edu/media/webmodules/ICSI_Labour_law_Brochure_Final4.pdf)

- **ICSI Awards for Excellence in Corporate Governance, 2020 (January 13, 2021)**

The ICSI has organised the ICSI National Awards for Excellence in Corporate Governance, 2020 which recognises the impeccable performances by Corporates and Professionals in the Corporate Governance arena.

Shri Piyush Goyal, Hon'ble Union Minister for Railways, Commerce & Industry, Consumer Affairs and Food & Public Distribution, graced the occasion as the Chief Guest while Hon'ble Mr. Justice A.K. Sikri Former Judge, Supreme Court of India and International Judge, Singapore International Commercial Court, was the Chairman of the Jury for the Awards.

*For details:*

[https://www.icsi.edu/media/webmodules/PR\\_ICSI AwardsforexcellenceinCG.pdf](https://www.icsi.edu/media/webmodules/PR_ICSI AwardsforexcellenceinCG.pdf)

- **MoU Signed between ICSI and Maulana Azad National Urdu University, Hyderabad (January 14, 2021)**

The ICSI has signed MoU with Maulana Azad National Urdu University, Hyderabad on January 12, 2021 during “Yuvotsav-National Student Conference of Company Secretaries” under “Academic connect” initiative of ICSI.

*For details:*

[https://www.icsi.edu/media/webmodules/IMG\\_20210114\\_WA0039.jpg](https://www.icsi.edu/media/webmodules/IMG_20210114_WA0039.jpg)

- **Company Secretaries are the conscience - keepers of the corporates - Shri M. Venkaiah Naidu, Vice President of India (January 18, 2021)**

The modern-day Company Secretary is a true guide of the corporates, handholding the Board, protecting the interests of all stakeholders, and more importantly, ensuring adherence to the laws of the land in letter and spirit.

Company Secretaries are the conscience- keepers of the corporates. It is imperative that they should be upright and must not succumb to any pressure - Vice President of India Shri M. Venkaiah Naidu at the ICSI convocation held on January 18, 2021

*For details*

<https://pib.gov.in/PressReleaseDetailm.aspx?PRID=1689632>

- **New President and Vice President of ICSI for the year 2021 (January 19, 2021)**

CS Nagendra D. Rao elected as President, ICSI & CS Devendra Vasant Deshpande as Vice President, ICSI for the year 2021

*For details*

<https://www.icsi.edu/home/>

- **Hon'ble Vice President of India, Shri M. Venkaiah Naidu graces the first Hybrid Convocation of ICSI (January 18, 2021)**

The ICSI has organised its first hybrid Convocation on January 18, 2021, for awarding certificates to approximately 3400 Associate Members and 350 Fellow Members of the Institute, for the year 2020.

The Convocation Ceremony was organized in Hyderabad, in the benign presence of Hon'ble Vice President of India, Shri M. Venkaiah Naidu as the Chief Guest. Hon'ble Minister for Home, Prisons and Fire Services, Government of Telangana, Shri Mohammed Mahmood Ali was also present as the Guest of Honour on the occasion. The four Regional Offices of the Institute in Chennai, Kolkata, Mumbai and New Delhi joined the hybrid ceremony virtually.

*For details:*

[https://www.icsi.edu/media/webmodules/PRESS\\_RELEASE\\_Honble\\_Vice\\_President\\_of\\_India\\_Shri\\_M\\_Venkaiah\\_Naidu\\_graces\\_the\\_first\\_Hybrid\\_Convocation\\_of\\_ICSI.pdf](https://www.icsi.edu/media/webmodules/PRESS_RELEASE_Honble_Vice_President_of_India_Shri_M_Venkaiah_Naidu_graces_the_first_Hybrid_Convocation_of_ICSI.pdf)

- **Important decisions taken by the Council of the ICSI at its meeting held on January 13, 2021 (January 18, 2021)**

Several important decisions were taken by the Council of the ICSI at its meeting held on January 13, 2021 such as: Conduct of By-Election for filling the vacancy of the Member of the 13th Council of the Institute, due to the resignation of CS Siddhartha Murarka, elected from the Eastern India Regional Constituency; launch of new batch of Certificate Course on Certified CSR Professionals etc.

*For details:*

[https://www.icsi.edu/media/webmodules/Important\\_decisions\\_taken\\_by\\_the\\_Council\\_of\\_the\\_ICSI\\_at\\_its\\_meeting\\_held\\_on\\_13th\\_January\\_2021.pdf](https://www.icsi.edu/media/webmodules/Important_decisions_taken_by_the_Council_of_the_ICSI_at_its_meeting_held_on_13th_January_2021.pdf)

- **ICSI's Online Certificate Course(s) - Registration open (January 21, 2021)**

The ICSI has launched various online Certificate Courses, which will be offered through online mode on ICSI LMS platform through Live Webinars and recorded version & PPTs (also available through Android and IOS App) with interactive webinars. The details of certificate courses are as under:

- Certificate Course on IBC
- Certificate Course on IPR
- Certificate Course on Securities Laws
- Certificate Course on Corporate Restructuring
- Certificate Course on Forensic Audit
- Certificate Course on GST
- Certificate Course on FEMA
- Certificate Course on Commercial Contracts Management
- Certificate Course on PoSH
- Certificate Course on Certified CSR Professionals

*For details:*

<https://www.icsi.edu/certificate-course/>

- **The ICSI representation for extension of timelines on account of COVID - 19 Pandemic (January 22, 2021)**

On account of practical difficulties faced by the stakeholders due to COVID-19 pandemic, the ICSI has requested the MCA to consider for extension of timelines for:

- filing of e-forms 8 & 11 pertaining to Financial Years 2019- 20 by LLPs till March 31, 2021.
- annual filing of e-forms AOC-4, AOC-4 (XBRL), MGT-7 and DIR-3 KYC till March 31, 2021

*For details:*

[https://www.icsi.edu/media/webmodules/LLP\\_8\\_11\\_ext.pdf](https://www.icsi.edu/media/webmodules/LLP_8_11_ext.pdf)

[https://www.icsi.edu/media/webmodules/Extn\\_of\\_timelines.pdf](https://www.icsi.edu/media/webmodules/Extn_of_timelines.pdf)

- **Corporate Secretary's Tool Kit Training Programme (January 27, 2021)**

The ICSI has invited applications for Corporate Secretary's Tool Kit Training Programme on Governance, Risk & Compliances (GRC) - International Practices and Role of CS (Section-1).

*For details:*

[https://www.icsi.edu/media/webmodules/CORPORATE\\_SECRETARY%E2%80%99S\\_TOOL\\_KIT\\_FLYER.p  
df](https://www.icsi.edu/media/webmodules/CORPORATE_SECRETARY%E2%80%99S_TOOL_KIT_FLYER.pdf)

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# Ministry of Corporate Affairs



## Info Capsule Series 5

- **Fit India Campaign - December, 2020 (November 26, 2020)**

The MCA has announced Fit India Campaign - December 2020 for corporates under the aegis of Fit India Movement. The Activity/Events under the campaign are as under:

- (a) Fit India Thematic Campaign-Virtual (फिटनेस का डोज़ - आधा घंटा रोज़) from December 01, 2020 onwards
- (b) Fitness Assessment through Fit India App (Date of launch of Fit India App will be communicated later)
- (c) Fit India Cyclothon from December 07 to 31, 2020

*For details:*

[http://www.mca.gov.in/Ministry/pdf/FitIndiaCampaignNotice\\_25112020.pdf](http://www.mca.gov.in/Ministry/pdf/FitIndiaCampaignNotice_25112020.pdf)

- **Relaxation of additional fees and extension of last date of filing of CRA-4 (form for filing of cost audit report) for FY 2019-20 under the Companies Act, 2013 -reg. (December 01, 2020)**

In continuation to the MCA General Circular No. 29/2020 dated September 10, 2020, the MCA has further extended the last date of filing of e-form CRA-4 for the financial year 2019-20 and relaxed the additional fees in view of large scale disruption caused by the COVID-19 pandemic. Hence, if the cost auditor submits the cost audit report for the financial year 2019-20 to the Board of Directors of the Companies by **December 31, 2020 (Earlier November 30, 2020)** then the same would not be viewed as violation of Rule 6(5) of the Companies (Cost Records and Audit) Rules, 2014. The other requirements shall remain unchanged.

*For details:*

[http://www.mca.gov.in/Ministry/pdf/GeneralCircularNo.38\\_01122020.pdf](http://www.mca.gov.in/Ministry/pdf/GeneralCircularNo.38_01122020.pdf)

- **The MCA notified Special Courts under Section 435 of the Companies Act, 2013 (November 27, 2020)**

The MCA has designated various courts as Special Courts in the States of Maharashtra, West Bengal and Tamil Nadu for the purposes of trial of offences under the Companies Act, 2013, in respect of cases filed by the Securities and Exchange Board of India.

*For details:*

[http://www.mca.gov.in/Ministry/pdf/NotificationCompAct\\_01122020.pdf](http://www.mca.gov.in/Ministry/pdf/NotificationCompAct_01122020.pdf)

- **MCA News**

MCA portal will not be available between 8:00AM to 6:00PM on December 12, 2020 due to a planned maintenance activity. Stakeholders may plan accordingly.

*For details:*

<http://www.mca.gov.in/MinistryV2/homepage.html>

- **The Companies (Compromises, Arrangements and Amalgamations) Second Amendment Rules, 2020 (December 17, 2020)**

The MCA on December 17, 2020 has notified the Companies (Compromises, Arrangements and Amalgamations) Second Amendment Rules, 2020. The amendment seeks to insert the new definition for the term “corporate action”, which means any action taken by the company relating to transfer of shares and all the benefits accruing on such shares namely, bonus shares, split, consolidation, fraction shares and right issue to the acquirer”.

Further, a new Rule 26A has been inserted w.r.t. the purchase of minority shareholding held in demat form.

*For details:*

<http://www.egazette.nic.in/WriteReadData/2020/223774.pdf>

- **MCA has deferred CARO 2020 applicability (December 17, 2020)**

The MCA has further deferred the applicability of the Companies (Auditor’s Report) Order (CARO) 2020, by one year i.e. i.e. it will be applicable for the financial years commencing on or after April 01, 2021.

*For details:*

<http://www.egazette.nic.in/WriteReadData/2020/223784.pdf>

- **The Companies (Appointment and Qualification of Directors) Fifth Amendment Rules, 2020 (December 18, 2020)**

With this Amendment, MCA has given relief in the time period to pass the online proficiency exam. Now, an individual shall pass the online proficiency self-assessment test within a period of two years (instead of earlier 1 year) from the date of inclusion of his name in the database with only 50% as pass percentage.

Further, MCA has also expanded the eligibility criteria for exemption from taking the online proficiency self-assessment test and eased the experience criteria for an individual who has served as a director or KMP, for a total period of not less than 3 years (earlier 10 years), as on the date of inclusion of his name in the databank in certain public Companies/Body corporates or holding a Designation in organizations specified by the Central Government.

*For details:*

<http://www.egazette.nic.in/WriteReadData/2020/223776.pdf>

- **MCA has notified December 21, 2020 as commencement date for various sections of the Companies (Amendment) Act, 2020**

*For details:*

<http://egazette.nic.in/WriteReadData/2020/223873.pdf>

- **The Companies (Share Capital and Debentures) Second Amendment Rules, 2020 (December 24, 2020)**

The MCA notified the Companies (Share Capital and Debentures) Second Amendment Rules, 2020 to amend Form No. SH-7 which pertains to the notice to the Registrar of any alteration of share capital.

*For details:*

[http://www.mca.gov.in/Ministry/pdf/SecondAmdtRules\\_24122020.pdf](http://www.mca.gov.in/Ministry/pdf/SecondAmdtRules_24122020.pdf)

- **The Companies (Incorporation) Third Amendment Rules, 2020 (December 24, 2020)**

The MCA vide Companies (Incorporation) Third Amendment Rules, 2020 has inserted new Rule 9A for the extension of reservation of name in certain cases. Under this rule Registrar is empowered to extend the period of a name reserved under rule 9 by using web service SPICe+ upto 60 days on payment of Fees.

*For details:*

[http://www.mca.gov.in/Ministry/pdf/ThirdAmdtRules\\_24122020.pdf](http://www.mca.gov.in/Ministry/pdf/ThirdAmdtRules_24122020.pdf)

- **MCA notified further extension of relaxation for holding Board Meeting through Video-Conferencing for restricted matters upto June 30, 2021 (December 30, 2020)**

MCA vide notification dated December 30, 2020 issued the Companies (Meetings of Board and its Powers) Fourth Amendment Rules, 2020 to provide further relaxation in the requirement of holding Board meetings with physical presence of directors under Section 173(2) r/w Rule 4 of the Companies (Meetings of Board and its Powers) Rules, 2014, for approval of the restricted matters.

Accordingly, **upto June 30, 2021**, the Board meetings on approval of restricted matters may be held through video conferencing or other audio visual means in accordance with Rule 3 of the Companies (Meetings of Board and its Powers) Rules, 2014.

*For details:*

[http://www.mca.gov.in/Ministry/pdf/FourthAmdtRules\\_30122020.pdf](http://www.mca.gov.in/Ministry/pdf/FourthAmdtRules_30122020.pdf)

- **Clarification on passing of ordinary and special resolutions by companies under the Companies Act, 2013 read with rules made thereunder on account of COVID-19- Extension of time. (December 31, 2020)**

MCA in view of the continued disruption caused due to COVID-19 pandemic and to provide greater ease of doing business has further allowed the companies to conduct their Extra Ordinary General meeting through Video-Conferencing or Other Audio visual means or to transact items through postal ballot in accordance with the specified framework provided earlier **upto June 30, 2021**.

*For details:*

[http://www.mca.gov.in/Ministry/pdf/GeneralCircularNo.39\\_31122020.pdf](http://www.mca.gov.in/Ministry/pdf/GeneralCircularNo.39_31122020.pdf)

#### **MCA update**

- Stakeholders may please note that there is no change in the additional fee logic of e-form MGT-7 and AoC-4/AOC-4 XBRL/AOC-4 CFS/AOC-4 NBFC for the FY 2019-20 w.e.f. January 01, 2021 since extension was provided to all the companies for conducting AGM and not for filing the form.

Hence, the due date of form filing shall be computed based on the actual date of AGM or due date/extended due date of AGM as the case may be. Post December 31, 2020, additional fee shall be applicable from the actual date of AGM or due date/extended due date of AGM + 30/60 days as the case may be and Rs.100 per day shall be charged starting from such day even if such date falls prior to December 31, 2020.

*For details:*

<http://www.mca.gov.in/MinistryV2/homepage.html>

- Stakeholders may please note that the Field 'SRN of the application filed for extension' (GNL-1) in e-form MGT-7 is made optional for FY 2019-20 w.e.f January 01,2021 due to blanket extension provided for all companies to conduct AGM. Consequently, e-Form MGT-7 has been revised on MCA 21 Company Forms Download page w.e.f January 01, 2021. Stakeholders are advised to check the latest version before filing.

*For details:*

<http://www.mca.gov.in/MinistryV2/homepage.html>

- Please note that the last date for filing DIR-3 KYC for Financial year 2019-20 has expired on December 31, 2020. The process of deactivating the non-compliant DINs is in progress and will be completed shortly. Please note that web service DIR-3 KYC shall not be available for filing during the pendency of this activity. Filing of DIR-3 KYC can be made after completion of the scheduled activity, as above, when the service is made available on the portal after payment of applicable fees. Stakeholders may kindly note and plan accordingly.

*For details:*

<http://www.mca.gov.in/MinistryV2/homepage.html>

- **Clarification on spending of CSR funds for Awareness and public outreach on COVID-19 Vaccination programme (January 13, 2021)**

In continuation to MCA General Circular No. 10/2020 dated March 23, 2020 wherein it was clarified that spending of CSR funds for COVID19 is an eligible CSR activity, it is further clarified that spending of CSR funds for carrying out awareness campaigns/programmes or public outreach campaigns on COVID-19 Vaccination programme is an eligible CSR activity under item no. (i), (ii) and (xii) of Schedule VII of the Companies Act, 2013 relating to promotion of health care, including preventive health care and sanitization, promoting education, and, disaster management respectively.

The companies may undertake the aforesaid activities subject to fulfilment of Companies (CSR Policy) Rules, 2014 and the circulars related to CSR, issued by the MCA from time to time.

*For details:*

[http://www.mca.gov.in/Ministry/pdf/CSR2021\\_13012021.pdf](http://www.mca.gov.in/Ministry/pdf/CSR2021_13012021.pdf)

- **MCA update**

CFSS-2020 Form shall be available for filing as eForm w.e.f. January 16, 2021. Stakeholders may please take note and plan accordingly.

*For details:*

<http://www.mca.gov.in/MinistryV2/homepage.html>

- **Clarification on holding of annual general meeting (AGM) through video conferencing (VC) or other audio visual means (OAVM) (January 13, 2021)**

In continuation to General Circular No. 20/2020, dated May 05, 2020, MCA has decided to allow companies whose AGMs were due to be held in the year 2020, or become due in the year 2021, to conduct their AGMs on or before December 31, 2021, through video conferencing (VC) or other audio visual means (OAVM) as per the requirements provided in paragraphs 3 and 4 of the General Circular No. 20/2020.

It is further clarified, that this Circular shall not be construed as conferring any extension of time for holding of AGMs by the companies under the Companies Act, 2013, and the companies which have not adhered to the relevant timelines shall remain subject to legal action under the Companies Act, 2013.

*For details:*

[mca.gov.in/Ministry/pdf/GeneralCircularNo.02\\_14012021.pdf](http://mca.gov.in/Ministry/pdf/GeneralCircularNo.02_14012021.pdf)

- **Scheme for condonation of delay for companies restored on the Register of Companies between December 01, 2020 and December 31, 2020 u/s 252 of the Companies Act, 2013 (January 15, 2021)**

The MCA has introduced “the Scheme for condonation of delay for companies restored on the Register of Companies between December 01, 2020 and December 31, 2020 under section 252 of the Companies Act, 2013” for the purpose of condoning the delay in filing forms with the Registrar of Companies, insofar as it relates to charging of additional fees on account of delay in such filings. This scheme shall come into effect from **February 01, 2021**.

The Scheme shall be applicable in respect of companies in respect of whom the appeal filed under Section 252 of the Companies Act, 2013 with the respective NCLT Bench for the restoration of the name of the company was disposed of between December 1, 2020 to December 31, 2020, with an order for restoration of the company. The last date for filing of any overdue e-forms by such companies under the scheme shall be March 31, 2021. The Scheme shall be applicable in respect of filing of all e-forms except where any increase in authorized capital is involved (e-Form SH-7) and charge related documents (e-forms CHG-1, CHG-4, CHG-8 and CHG-9) which are required to be filed with the Registrar.

*For details:*

[http://www.mca.gov.in/Ministry/pdf/GeneralCircularNo.3\\_15012021.pdf](http://www.mca.gov.in/Ministry/pdf/GeneralCircularNo.3_15012021.pdf)

- **Report of the Company Law Committee on Decriminalization of the Limited Liability Partnership Act, 2008 (January 18, 2021)**

The MCA has placed on its website, the Report of the Company Law Committee on Decriminalization of the Limited Liability Partnership Act, 2008. This report is in pursuance and continuation of the policy of the Government of the India to decriminalize non-compliances of minor, technical or procedural nature of violations and facilitate and promote ease of doing business and ease of living for law abiding corporates in the country.

Further, public comments/ suggestions are hereby invited on the Report of the Company Law Committee on Decriminalization of the Limited Liability Partnership Act, 2008 latest by February 02, 2021 through email at email id: [llp.amendment@mca.gov.in](mailto:llp.amendment@mca.gov.in)

*For details:*

<http://www.mca.gov.in/Ministry/pdf/Report%20of%20the%20Company%20Law%20Committee%20on%20Decriminalization%20of%20The%20Limited%20Liability%20Partnership%20Act,%202008.pdf>

[http://www.mca.gov.in/Ministry/pdf/InvitationNotice\\_18012021.pdf](http://www.mca.gov.in/Ministry/pdf/InvitationNotice_18012021.pdf)

- **The MCA notified the commencement date for Section 21 of the Companies (Amendment) Act, 2019 (January 22, 2021)**

The MCA has appointed January 22, 2021 as the commencement date of section 21 of the Companies (Amendment) Act, 2019 which is related to the amendments in the Corporate Social Responsibility provisions under Section 135 of the Companies Act, 2013.

*For details:*

[http://www.mca.gov.in/Ministry/pdf/CommencementNotificationCAA\\_23012021.pdf](http://www.mca.gov.in/Ministry/pdf/CommencementNotificationCAA_23012021.pdf)

- **The MCA notified the commencement date for certain specified sections of the Companies (Amendment) Act, 2020 (January 22, 2021)**

The MCA has notified January 22, 2021 as the commencement date for certain specified sections of the Companies (Amendment) Act, 2020.

*For details:*

[http://www.mca.gov.in/Ministry/pdf/CommencementNotification\\_23012021.pdf](http://www.mca.gov.in/Ministry/pdf/CommencementNotification_23012021.pdf)

- **The Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021 (January 22, 2021)**

The MCA vide Notification dated January 22, 2021 has notified the Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021 which has amended the CSR Rules, 2014 majorly w.r.t. Definitions, CSR Committees, CSR Implementation, CSR Expenditure, CSR Reporting. It also adds provisions for Display of CSR activities on Company's website and Transfer of unspent CSR amount.

*For details:*

[http://www.mca.gov.in/Ministry/pdf/CSRAmendmentRules\\_22012021.pdf](http://www.mca.gov.in/Ministry/pdf/CSRAmendmentRules_22012021.pdf)

- New 'Extend' functionality shall be introduced as part of SPICe+ Part A in line with Rule 9A 'Extension of reservation of name in certain cases' of the Companies (Incorporation) Third Amendment Rules, 2020 with effect from 26th January 2021.

Stakeholders may kindly note and plan accordingly.

*For details:*

[www.mca.gov.in](http://www.mca.gov.in)

- **The Companies (Incorporation) Amendment Rules, 2021 (January 25, 2021)**

The MCA vide Notification dated January 25, 2021 has issued the Companies (Incorporation) Amendment Rules, 2021 which amended Rule 41 of Companies (Incorporation) Rules, 2014 relating to Application under section 14 of the Companies Act, 2013 for conversion of public company into private company.

The notification specified that where an objection has been received or Regional Director on examining the application has specific objection under the provisions of the Act, the same shall be recorded in writing and the Regional Director shall hold a hearing or hearings within a period of 30 days as required and direct the company to file an affidavit to record the consensus reached at the hearing, upon executing which, the Regional Director shall pass an order either approving or rejecting the application along with the reasons within 30 days from the date of hearing.

In case where no consensus is received, the Regional Director may approve the conversion, if he is satisfied having regard to all the circumstances of the case, that the conversion would not be against the interests of the company or is not being made with a view to contravene or to avoid complying with the provisions of the Act, with reasons to be recorded in writing. However, the conversion shall not be allowed if any inquiry, inspection or investigation has been initiated against the company or any prosecution is pending against the company under the Companies Act, 2013.

*For details:*

[http://www.mca.gov.in/Ministry/pdf/CompaniesAmendmentRules\\_25012021.pdf](http://www.mca.gov.in/Ministry/pdf/CompaniesAmendmentRules_25012021.pdf)

- **Relaxation on levy of additional fees in filing of e-forms AOC-4, AOC-4 (CFS), AOC-4 XBRL and AOC-4 Non-XBRL for the financial year ended on March 31, 2020 under the Companies Act, 2013 (January 28, 2021)**

Keeping in view of various requests received from the stakeholders, the MCA has decided that no additional fees shall be levied upto **February 15, 2021** for the filing of e-forms AOC-4, AOC-4 (CFS), AOC-4 XBRL and AOC-4 Non-XBRL in respect of the financial year ended on March 31, 2020.

During the said period, only normal fees shall be payable for the filing of the aforementioned e-forms.

*For details:*

[http://www.mca.gov.in/Ministry/pdf/GeneralCircularNo.4\\_29012021.pdf](http://www.mca.gov.in/Ministry/pdf/GeneralCircularNo.4_29012021.pdf)

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# Securities Laws & Capital Markets

## Info Capsule Series 5

### NSE Circulars

- **SEBI advised National Stock Exchange of India Limited to increase Investor Protection Fund size (November 18, 2020)**

In light of the recent Trading Member defaults, SEBI has advised the National Stock Exchange of India Limited (NSE) to increase the Investor Protection Fund (IPF) size to ₹1,500 crores. Further, in order to enhance the effectiveness of the IPF and to improve the investor experience while making claims against defaulting Trading Members, SEBI has advised NSE to operationalize a detailed Standard Operating Procedure (SOP) and the policy for evaluating investor claims from IPF, given as Annexure A and Annexure B respectively, in this circular.

*For details:*

<https://www1.nseindia.com/circulars/circular.htm>

### SEBI in News

- **SEBI moves Supreme Court against Sahara India Real Estate Corporation, Sahara Housing Investment Corporation (November 19, 2020)**

The SEBI has moved the Supreme Court against Sahara India Real Estate Corporation and Sahara Housing Investment Corporation over ₹62,602 crore collected by these companies from the public. The market regulator wants the contemnors to be taken into custody if they fail to deposit the amount in the SEBI-Sahara refund account.

*For details:*

<https://www.moneycontrol.com/news/business/sebi-moves-supreme-court-against-sahara-india-real-estate-corporation-sahara-housing-investment-corporation-6134051.html>

### SEBI Adjudicating Orders

- **In respect of Raymond Ltd. (November 19, 2020)**

SEBI imposed ₹7 lakh fine on Raymond Ltd. for the violation of Clause 49(VII)(D) of the listing agreement as instructed vide SEBI Circular dated April 17, 2014. It was alleged that Raymond Ltd. had failed to take necessary approval for certain related party transactions thereby violating the

provisions of Clause 49(VII)(D) of the erstwhile equity listing agreement (amendments introduced vide SEBI circular dated April 17, 2014).

*For details:*

[https://www.sebi.gov.in/enforcement/orders/nov-2020/adjudication-order-in-respect-of-raymond-ltd-\\_48202.html](https://www.sebi.gov.in/enforcement/orders/nov-2020/adjudication-order-in-respect-of-raymond-ltd-_48202.html)

- **In respect of 4 entities in the matter of Focus Industrial Resources Limited (FIRL) (November 19, 2020)**

SEBI imposed a total penalty of ₹8 lakh on four entities for creating artificial volume in the scrip of FIRL by repeatedly transacting in off market and on market. In view of the same, it was observed that the said entities had violated the provisions of regulations 3(a), (b), (c), (d), 4(1), 4(2)(a) and (g) of SEBI (Prohibition of Fraudulent and Unfair Trade Practices) Regulations, 2003.

*For details:* [https://www.sebi.gov.in/enforcement/orders/nov-2020/adjudication-order-in-respect-of-4-entities-in-the-matter-of-focus-industrial-resources-limited\\_48199.html](https://www.sebi.gov.in/enforcement/orders/nov-2020/adjudication-order-in-respect-of-4-entities-in-the-matter-of-focus-industrial-resources-limited_48199.html)

#### **SEBI News**

- **Subrata Roy Must Pay ₹62,600 Crore to Stay Out of Jail : Regulator SEBI (November 20, 2020)**

The Securities and Exchange Board of India (SEBI) has petitioned the Supreme Court to direct business tycoon Subrata Roy to pay ₹62,600 crore (\$8.43 billion) immediately, or cancel his parole if he doesn't yield.

The markets regulator said the outstanding liability of the Sahara India Parivar group's two companies and the Group's Chief Roy stand at ₹62,600 crore, including interest.

*For details:*

<https://www.ndtv.com/business/sahara-group-chief-subrata-roy-must-pay-rs-62-600-crore-to-stay-out-of-jail-regulator-sebi-2327748>

#### **SEBI Consultation Papers/Reports**

- **Consultation Paper on Review of requirement of Minimum Public Offer for large issuers in terms of Securities Contracts (Regulation) Rules, 1957 (November 20, 2020)**

The SEBI has placed a consultation paper on 'Review of requirement of Minimum Public Offer for large issuers in terms of Securities Contracts (Regulation) Rules, 1957' for public comments. It is proposed to reduce minimum offer to public for large issuers to 5% of post issue market capital exceeding ₹ 10,000 crores, as per the details given in this report. Comments may be sent to SEBI latest by December 07, 2020.

*For details:*

[https://www.sebi.gov.in/reports-and-statistics/reports/nov-2020/consultation-paper-on-review-of-requirement-of-minimum-public-offer-for-large-issuers-in-terms-of-securities-contracts-regulation-rules-1957\\_48213.html](https://www.sebi.gov.in/reports-and-statistics/reports/nov-2020/consultation-paper-on-review-of-requirement-of-minimum-public-offer-for-large-issuers-in-terms-of-securities-contracts-regulation-rules-1957_48213.html)

- **Consultation Paper on Review of SEBI (Delisting of Equity Shares) Regulations, 2009 (November 20, 2020)**

The SEBI has placed a consultation paper on 'review of SEBI (Delisting of Equity Shares) Regulations, 2009' for public comments. Through this consultation paper, a comprehensive review of the delisting regulations is proposed to further streamline and strengthen the delisting process / regulations. Comments may be sent to SEBI latest by December 21, 2020.

*For details:*

[https://www.sebi.gov.in/reports-and-statistics/reports/nov-2020/consultation-paper-on-review-of-sebi-delisting-of-equity-shares-regulations-2009\\_48212.html](https://www.sebi.gov.in/reports-and-statistics/reports/nov-2020/consultation-paper-on-review-of-sebi-delisting-of-equity-shares-regulations-2009_48212.html)

- **Report on Disclosures Pertaining to Analyst Meets, Investor Meets and Conference Calls (November 20, 2020)**

The SEBI has placed a Report on ‘Disclosures Pertaining to Analyst Meets, Investor Meets and Conference Calls’ on its website for public comments. A sub-group under the chairmanship of Mr. Keki Mistry, Vice-Chairman and CEO of HDFC Ltd, was formed on the recommendations of Primary Markets Advisory Committee (PMAC), to deal with issues concerning to sharing of information with select investors and strengthen the disclosure framework. The sub-group recommended that the requirements mentioned in the report should be made applicable in a phased manner. Comments may be sent to SEBI in prescribed format latest by December 21, 2020.

For details:

[https://www.sebi.gov.in/reports-and-statistics/reports/nov-2020/report-on-disclosures-pertaining-to-analyst-meets-investor-meets-and-conference-calls\\_48208.html](https://www.sebi.gov.in/reports-and-statistics/reports/nov-2020/report-on-disclosures-pertaining-to-analyst-meets-investor-meets-and-conference-calls_48208.html)

**SEBI Adjudication Orders (November 20, 2020)**

S. No.	Name of entity on which penalty is imposed	Alleged Violations	Penalty (in ₹)
1)	Saira Amanatali Shaikh and Abhijeet Chandrahas Asai (In the matter of Hasti Finance Ltd.)	Deliberately manipulated the price of the scrip and created a misleading appearance of trading in the scrip to induce innocent investors in the securities market thereby contravening the provisions of Regulations 3 (a), (b), (c), (d), 4 (1), 4 (2) (a), and 4 (2) (e) of SEBI (PFUTP) Regulations, 2003.	5 lakh each
2)	Divyesh Ashwin Sukhadia (Managing Director)  Dharmesh Ashwin Sukhadia and Anuj Vipin Sukhadia (Whole Time Directors)	Making reckless and careless representation and by making false, misleading, deceptive and manipulative disclosures in the prospectus, they misled the investors and induced them to subscribe to the shares in the IPO of Paramount Print packaging Ltd., thus violated the provisions of Section 12 A (a),(b),(c) of the SEBI Act,1992 and regulations 3 (b),(c),(d), 4 (1), 4(2) (e), (f), (k), (r) of the SEBI (PFUTP) Regulations and Regulations 57 (1) and 57 (2) (a) r/w Clause 2 (XVI) (B) (2) of part A of schedule VIII and 60 (7) (a) of the SEBI (ICDR) Regulations, 2003.	15 lakh each

For details:

<https://www.sebi.gov.in/sebiweb/home/HomeAction.do?doListingAll=yes>

- **SEBI Circular (November 23, 2020)**

**Introduction of Unified Payments Interface (UPI) mechanism and Application through online interface and streamlining the process of Public issues of securities under:**

- SEBI (Issue and Listing of Debt Securities) Regulations, 2008 (ILDS Regulations)
- SEBI (Issue and Listing of Non-Convertible Redeemable Preference Shares) Regulations, 2013 (NCRPS Regulations)
- SEBI (Issue and Listing of Securitised Debt Instruments and Security Receipts) Regulations, 2008 (SDI Regulations) and
- SEBI (Issue and Listing of Municipal Debt Securities) Regulations, 2015 (ILDM Regulations)

SEBI dated August 16, 2018 lays down the process for payment for applications in public issue of debt securities through the facility of ASBA. In addition to the already specified modes under the ASBA Circular, SEBI has introduced an option to investors to apply in public issues of debt securities through the app / web interface of Stock Exchange(s) with a facility to block funds through Unified Payments Interface (UPI) mechanism for application value upto ₹2 Lac and permitting the UPI mechanism to block funds for application value upto ₹2 Lac submitted through intermediaries (Syndicate members, Registered Stock Brokers, Registrar and Transfer agent and Depository Participants). The provisions of this circular shall be applicable to a public issue of securities which opens on or after January 01, 2021.

*For details:*

[https://www.sebi.gov.in/legal/circulars/nov-2020/introduction-of-unified-payments-interface-upi-mechanism-and-application-through-online-interface-and-streamlining-the-process-of-public-issues-of-securities-under-sebi-issue-and-listing-of-debt-\\_48235.html](https://www.sebi.gov.in/legal/circulars/nov-2020/introduction-of-unified-payments-interface-upi-mechanism-and-application-through-online-interface-and-streamlining-the-process-of-public-issues-of-securities-under-sebi-issue-and-listing-of-debt-_48235.html)

**SEBI Consultation Paper**

- **Consultation Paper on Re-classification of Promoter/ Promoter Group Entities and Disclosure of the Promoter Group Entities in the Shareholding Pattern (November 23, 2020)**

The SEBI has placed a consultation paper on 'Re-classification of Promoter/ Promoter Group Entities and Disclosure of the Promoter Group Entities in the Shareholding Pattern' for public comments. SEBI has received feedback regarding cases where promoters have desired re-classification but have found it difficult under current regulatory regime. Relaxation from existing requirement on a case to case basis was given by SEBI. It is therefore desirable that the existing provisions may be revisited to minimize the number of exemptions provided on a case to case basis. Comments may be sent to SEBI in prescribed format latest by December 24, 2020.

*For details:*

[https://www.sebi.gov.in/reports-and-statistics/reports/nov-2020/consultative-paper-on-re-classification-of-promoter-promoter-group-entities-and-disclosure-of-promoter-group-entities-in-the-shareholding-pattern\\_48236.html](https://www.sebi.gov.in/reports-and-statistics/reports/nov-2020/consultative-paper-on-re-classification-of-promoter-promoter-group-entities-and-disclosure-of-promoter-group-entities-in-the-shareholding-pattern_48236.html)

### SEBI Adjudication Orders (November 23, 2020)

S. No.	Name of Entity on which penalty is imposed	Alleged Violations	Penalty (in ₹)
(1)	Ms. Pragnaben Suryakant Shah, Director (In the matter of Gala Global Products Limited 'GGPL')	Failed to make requisite disclosures under SEBI (Prohibition of Insider Trading) Regulations, 2015 on four occasions and it was repetitive in nature thus violated Regulation 7(2)(a) of the PIT Regulations	2 lakh
(2)	M/s Harishankar Paper Products (P) Ltd and Mr. Anil Kumar Gilra, Promoter(s) (In the matter of Cosboard Industries Ltd.)	Failed to make requisite disclosures to the stock exchange i.e. BSE as mandated under Regulation 31(1) read with 31(3) of the SAST Regulations.	2 lakh each
(3)	Nitin Ajage, General Manager (Corporate Accounting) (In the matter of Dynamatic Technologies Ltd 'DTL')	Failed in making the disclosure to DTL thereby violated Regulation 7(2)(a) of the PIT Regulations, 2015 and failed in taking pre-trading approval from DTL thereby violated clause 6 of schedule B read with Regulation 9(1) and (2) of the PIT Regulations, 2015 read with clause 6.1 of the Code of Conduct for Prevention of Insider Trading framed by DTL.	3 lakh

For details:

<https://www.sebi.gov.in/sebiweb/home/HomeAction.do?doListingAll=yes>

### SEBI Orders

#### Confirmatory order in the matter of Karvy Stock Broking Limited (November 24, 2020)

SEBI has confirmed the directions issued vide ex parte ad interim order dated November 22, 2019 against Karvy Stock Broking Limited ("KSBL") where KSBL is prohibited from taking new clients in respect of its stock broking activities and provided that transfer of funds/securities made by the KSBL to its clients subsequent to SEBI order dated November 22, 2019, would not absolve KSBL or its directors from violations of the provisions of the securities laws, as have been found in the forensic audit report received in the matter. Further, it is clarified that confirmation of the directions issued in the ex parte order by the present order shall not in any way come in the way of transfer of the funds/securities, to be made by the KSBL to its clients. KSBL shall not alienate any of its assets, except with the prior permission of NSE till the settlement of claims of the investors or under direction or order by any Court or Tribunal.

For details:

[https://www.sebi.gov.in/enforcement/orders/nov-2020/confirmatory-order-in-the-matter-of-m-s-karvy-stock-broking-limited\\_48253.html](https://www.sebi.gov.in/enforcement/orders/nov-2020/confirmatory-order-in-the-matter-of-m-s-karvy-stock-broking-limited_48253.html)

<https://www1.nseindia.com/circulars/circular.htm>

## SEBI Press Releases

- **SEBI Chairman launches Securities Market Trainers (SMARTs) Program - a new SEBI initiative for enhancing Investor Education activities (November 25, 2020)**

Shri Ajay Tyagi, Chairman, SEBI launched the Securities Market Trainers (SMARTs) programme in Mumbai on November 25, 2020. The SMARTs programme is a new initiative of SEBI for enhancing the Investor Education activities. The individuals who have been empanelled under the SMARTs program attended the launch via web conferencing.

*For details:*

[https://www.sebi.gov.in/media/press-releases/nov-2020/sebi-chairman-launches-securities-market-trainers-smarts-program-a-new-sebi-initiative-for-enhancing-investor-education-activities\\_48276.html](https://www.sebi.gov.in/media/press-releases/nov-2020/sebi-chairman-launches-securities-market-trainers-smarts-program-a-new-sebi-initiative-for-enhancing-investor-education-activities_48276.html)

- **Review of regulatory measures introduced vide SEBI Press Release dated March 20, 2020 (November 25, 2020)**

SEBI vide Press Release dated March 20, 2020 had introduced certain regulatory measures as per Annexure A of the said Press Release, in view of the then ongoing market volatility and keeping in view the objective of ensuring orderly trading and settlement, effective risk management, price discovery and maintenance of market integrity. The same is in force till November 26, 2020. SEBI has reviewed and revised the regulatory measures introduced in March this year based on market feedback and changed market environment.

*For details:*

[https://www.sebi.gov.in/media/press-releases/nov-2020/review-of-regulatory-measures-introduced-vide-sebi-press-release-dated-march-20-2020\\_48277.html](https://www.sebi.gov.in/media/press-releases/nov-2020/review-of-regulatory-measures-introduced-vide-sebi-press-release-dated-march-20-2020_48277.html)

## SEBI Adjudication Orders (November 25, 2020)

S.No.	Name of Entity on which penalty is imposed	Alleged Violations	Penalty (in ₹)
1.	Mr. Amit Ramesh Sawhney, (Noticee) (In the matter of The Dewan Housing Finance Limited 'DHFL')	Noticee being an insider, traded in the scrip of DHFL during the period of Unpublished Price Sensitive Information (UPSI) and, thus, violated the provisions of Section 12A(d) & (e) of SEBI Act read with Regulation 4(1) of SEBI (Prohibition of Insider Trading) Regulations, 2015.	10 lakh
2.	Crosseas Capital Services Private Limited (Stock Broker)	Connected to the secondary / fall-back server on several occasions during the reference period in spite of Colocation Guidelines issued by NSE from time to time thus violated the provisions of Regulation 9(f) read with Clause A (2) of the Code of Conduct as specified in Schedule II of the SEBI (Stock-Brokers and Sub-Brokers) Regulations, 1992.	3 lakh

3.	Shreeji Industries Limited	Failed to obtain the SCORES authentication and to redress investor grievances pending therein within the timelines stipulated by SEBI, therefore not complying with the SEBI Circulars.	2 lakh
4.	Modern Trading Business Private Ltd., Noticee Company (In the matter of The Byke Hospitality Ltd., Company)	Noticee company breached the acquisition limit and failed to make requisite disclosures of such acquisition to the company and the stock exchange thus violated the provisions of Regulation 29(1) read with Regulation 29(3) of the SEBI (SAST) Regulations, 2011.	3 lakh
5.	Kapstone Constructions Pvt. Ltd.	Failed to make timely disclosures thereby violated Regulation 52(1) and 52(4) of the LODR Regulations.	2 lakh

For details:

<https://www.sebi.gov.in/sebiweb/home/HomeAction.do?doListingAll=yes>

#### SEBI in News

- **Franklin plea shows it's willing to take unitholders' approval (November 27, 2020)**

Franklin Templeton, which decided to abruptly shut six of its Indian funds citing illiquidity in April, has told the markets regulator that it will comply with a high court order to seek consent from its unitholders even as it challenged the ruling, according to its plea filed in the Supreme Court.

For details:

<https://www.livemint.com/money/personal-finance/franklin-plea-shows-it-s-willing-to-take-unitholders-approval-11606435661487.html>

#### SEBI ORDERS (November 27, 2020)

- **In the matter of New Delhi Television Limited (NDTV)**

SEBI has barred NDTV promoters, Prannoy Roy and Radhika Roy, from the securities market for two years. SEBI has also directed them to disgorge illegal gains of more than ₹16.97 crore for indulging in insider trading over 12 years ago. SEBI has also barred seven other individuals and entities for insider trading in the shares of the NDTV for a period varying from one to two years. Some of them have been asked to disgorge illegal gains made from trading in the shares when they were in possession of Unpublished Price Sensitive Information (UPSI).

For details:

[https://www.sebi.gov.in/enforcement/orders/nov-2020/order-in-the-matter-of-new-delhi-television-limited-mr-prannoy-roy-and-mrs-radhika-roy\\_48314.html](https://www.sebi.gov.in/enforcement/orders/nov-2020/order-in-the-matter-of-new-delhi-television-limited-mr-prannoy-roy-and-mrs-radhika-roy_48314.html)

[https://www.sebi.gov.in/enforcement/orders/nov-2020/order-on-the-matter-of-new-delhi-television-limited-mr-vikramadiya-chandra-mr-ishwari-prasad-bajpai-and-mr-saurav-banerjee\\_48312.html](https://www.sebi.gov.in/enforcement/orders/nov-2020/order-on-the-matter-of-new-delhi-television-limited-mr-vikramadiya-chandra-mr-ishwari-prasad-bajpai-and-mr-saurav-banerjee_48312.html)

[https://www.sebi.gov.in/enforcement/orders/nov-2020/order-in-the-matter-of-new-delhi-television-limited-mr-sanjay-dutt-mrs-prenita-dutt-m-s-quantum-securities-private-limited-m-s-sal-real-estate-private-limited-and-m-s-taj-capital-partners-priva-\\_48313.html](https://www.sebi.gov.in/enforcement/orders/nov-2020/order-in-the-matter-of-new-delhi-television-limited-mr-sanjay-dutt-mrs-prenita-dutt-m-s-quantum-securities-private-limited-m-s-sal-real-estate-private-limited-and-m-s-taj-capital-partners-priva-_48313.html)

#### SEBI Adjudication Orders (November 27, 2020)

S.No.	Name of Entity on which penalty is imposed	Alleged Violations	Penalty (in ₹)
1.	M/s. MPS Infotecnics Ltd. (Earlier known as Visesh Infotecnics Ltd.)	Violated Section 12A(a), (b) and (c) of SEBI Act, 1992 read with Regulations 3(a), (b), (c) & (d), 4(1), 4(2) (f), (k) and (r) of SEBI (Prohibition of Fraudulent and Unfair Trade Practices Relating to FUTP) Regulations, 2003, Section 21 of SCRA, 1956 read with Clause 32, 36(7) and 50 of the Listing Agreement.	10 crore
2.	Mr. Tabrez Khan Proprietor of Zoid Research, (Investment Advisor)	Made wilful misrepresentations about the nature of the investments, the exorbitant fees charged to the clients and the continuous increase in its demand for higher fees under various pretext using false identities of its employees while lacking the requisite qualification and thereafter being negligent in redressing the grievances of such clients/ investors and thus violated various clauses of the Code of Conduct specified under the SEBI (Investment Advisers) Regulations, 2013 ('IA Regulations') as well as several other provisions of the IA Regulations and the relevant Circular of SEBI.	8 lakh
3.	Mishtann Foods Ltd. (Noticee) (formerly known as HICS Cements Ltd)	The Noticee by failing to resolve the investors' complaints within the time line and to take urgent steps to resolve those pending complaints and file a satisfaction report to SEBI within a period of 45 days from the date of SEBI order dated February 20, 2020 has blatantly violated the directions given by SEBI.	15 lakh
4.	Sai Prakash Properties Development Limited (SPPDL)	The Investigating Authority of SEBI issued summons under Sections 11C(3) of the SEBI Act to various entities including SPPDL for production of documents. However, SPPDL failed to comply with the summons.	2 lakh

For details:

<https://www.sebi.gov.in/sebiweb/home/HomeAction.do?doListingAll=yes>

## SEBI Circular

- **Relaxation in timelines for compliance with regulatory requirements (December 01, 2020)**

In view of the prevailing situation due to Covid-19 pandemic, SEBI has decided to further extend the timelines / period of exclusion for compliance with the regulatory requirements by the trading members / clearing members / depository participants (DPs), till December 31, 2020. However, the compliance requirement for Cyber Security and Cyber Resilience Audit for half year ended on September 30, 2020 by the trading members / clearing members, is extended till January 31, 2021.

*For details:*

[https://www.sebi.gov.in/legal/circulars/dec-2020/relaxation-in-timelines-for-compliance-with-regulatory-requirements\\_48324.html](https://www.sebi.gov.in/legal/circulars/dec-2020/relaxation-in-timelines-for-compliance-with-regulatory-requirements_48324.html)

## SEBI Adjudication Orders

- **In respect of Maxworth Investment Ltd. and Rays Global Corporation, in the matter of Karuturi Global Ltd., (December 01, 2020)**

SEBI imposed a penalty of ₹2 lakh each on Maxworth Investment Ltd. and Rays Global Corporation for not making the requisite disclosures upon change in more than 2% shareholding in the target company and thus violated the provisions of Regulation 29 (2) read with Regulation 29 (3) of SEBI (SAST) Regulations.

*For details:*

[https://www.sebi.gov.in/enforcement/orders/dec-2020/adjudication-order-in-respect-of-maxworth-investment-ltd-in-the-matter-of-karuturi-global-ltd-\\_48325.html](https://www.sebi.gov.in/enforcement/orders/dec-2020/adjudication-order-in-respect-of-maxworth-investment-ltd-in-the-matter-of-karuturi-global-ltd-_48325.html)

[https://www.sebi.gov.in/enforcement/orders/dec-2020/adjudication-order-in-respect-of-rays-global-corporation-in-the-matter-of-karuturi-global-ltd-\\_48326.html](https://www.sebi.gov.in/enforcement/orders/dec-2020/adjudication-order-in-respect-of-rays-global-corporation-in-the-matter-of-karuturi-global-ltd-_48326.html)

## SEBI Circular

- **Operational guidelines for Transfer and Dematerialization of re-lodged physical shares (December 02, 2020)**

SEBI, vide its circular dated September 07, 2020, has fixed March 31, 2021 as the cut-off date for re-lodgment of transfer requests and has stipulated that such transferred shares shall be issued only in demat mode. In this regard, SEBI has issued the operational guidelines for crediting the transferred shares into the respective demat account of the investor. Through these guidelines SEBI, *inter-alia*, provided that subsequent to processing of the re-lodged transfer request, the RTA shall retain the physical shares and intimate the investor (transferee) about the execution of transfer through Letter of Confirmation and the investor shall submit the demat request, within 90 days of issue of Letter of Confirmation, to Depository participant (DP) along with the Letter of Confirmation.

*For details:*

[https://www.sebi.gov.in/legal/circulars/dec-2020/operational-guidelines-for-transfer-and-dematerialization-of-re-lodged-physical-shares\\_48336.html](https://www.sebi.gov.in/legal/circulars/dec-2020/operational-guidelines-for-transfer-and-dematerialization-of-re-lodged-physical-shares_48336.html)

## Consultation Paper

- **Consultation Paper on 'Review of the NCDs along with warrants' under QIP (December 02, 2020)**

The SEBI has placed a consultation paper on review of the 'Non-convertible Debentures (NCDs) along with warrants' as a stapled product offering or as a segregated product offering, through Qualified Institutional Placement (QIP) route under SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 ('ICDR') for public comments on the following -

1. Discontinuing segregated offering of 'NCDs along with warrants' to QIBs through QIP mechanism under SEBI ICDR Regulations.
2. Stapled offering of 'NCDs along with warrants' to QIBs may be retained under SEBI ICDR Regulations, with ability to segregate the instruments after the issuance/allotment. However, to curtail misuse of the product by way of issuing a tail warrant with NCDs, a minimum threshold may be prescribed for warrant portion [say warrant portion should constitute minimum 40% of total issue size].
3. Allowing issuance of 'naked warrants' to QIBs through QIP mechanism under SEBI ICDR Regulations with guidelines on upfront payment, pricing and tenure of warrants.

*For details:*

[https://www.sebi.gov.in/reports-and-statistics/reports/dec-2020/consultation-paper-on-review-of-the-ncds-along-with-warrants-under-qip\\_48339.html](https://www.sebi.gov.in/reports-and-statistics/reports/dec-2020/consultation-paper-on-review-of-the-ncds-along-with-warrants-under-qip_48339.html)

### **SEBI in News**

- **Lakshmi Vilas Bank comes under SEBI scanner for 'insider trading' (December 02, 2020)**

Capital markets regulator SEBI is examining Chennai-based Lakshmi Vilas Bank (LVB) for possible violation of disclosure norms, including insider trading rules, amid the controversy over the lender's takeover by DBS Bank India. The markets regulator is scrutinising the surveillance report submitted by one of the stock exchanges, which suspected unfair trade practices and even flouting of insider trading norms by certain entities close to the erstwhile management of LVB.

*For details:*

[https://www.business-standard.com/article/markets/lakshmi-vilas-bank-comes-under-sebi-scanner-for-insider-trading-120120201540\\_1.html](https://www.business-standard.com/article/markets/lakshmi-vilas-bank-comes-under-sebi-scanner-for-insider-trading-120120201540_1.html)

- **Investigation/prosecution by SEBI does not preclude police from carrying its own investigation: Delhi High Court (December 03, 2020)**

The Delhi High Court recently held that an investigation or prosecution by the SEBI does not preclude the police/investigating agency from carrying its own investigation into the commission of offences punishable under the Indian Penal Code (*DK Arora vs. State & Ors*).

*For details:*

<https://www.barandbench.com/news/litigation/investigation-sebi-not-preclude-police-carry-investigation-delhi-high-court>

- **Corporate Capital served show-cause notice for 'abandoning' merchant banking duty (December 03, 2020)**

The SEBI has issued a show-cause notice (SCN) against Corporate Capital Ventures (CCV), a merchant banker for small and medium enterprises (SME), for its failure to complete its obligation in underwriting an initial public offer.

*For details:*

<https://www.thehindubusinessline.com/markets/stock-markets/corporate-capital-served-show-cause-notice-for-abandoning-merchant-banking-duty/article33242525.ece>

## SEBI Adjudication Order

- **In respect of U. P. Power Corporation Limited (UPPCL) (December 04, 2020)**

SEBI imposed a penalty of ₹2 lakh on UPPCL for not making requisite disclosures under the provisions of Regulations 13(3), 13(4), 50(3), 52(1), (2), (4), (5) & (8), 54(2), 53 and 57(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations.

*For details:*

[https://www.sebi.gov.in/enforcement/orders/dec-2020/adjudication-order-in-respect-of-u-p-power-corporation-limited\\_48361.html](https://www.sebi.gov.in/enforcement/orders/dec-2020/adjudication-order-in-respect-of-u-p-power-corporation-limited_48361.html)

## News

- **SC Hearing : Franklin Templeton to take unitholders' approval for winding up schemes (December 03, 2020)**

The Supreme Court (SC), on December 03, 2020 heard the petition filed by Franklin Templeton Mutual Fund (FT MF) and the fund house agreed that it would conduct unitholders' voting to get consent on winding up of the six debt schemes. The voting is likely to be held in the next few weeks. "The Hon'ble Supreme Court on December 03, 2020 issued an interim order allowing the trustee of Franklin Templeton to seek consent of the unitholders for the winding up of the six schemes u/r 18(15)(c) of SEBI (Mutual Fund) Regulation 1996," a Franklin Templeton spokesperson said.

*For details:*

<https://www.moneycontrol.com/news/business/personal-finance/sc-hearing-franklin-templeton-to-take-unitholders-approval-for-winding-up-schemes-6184341.html>

- **Alteria Capital targets ₹1750 crore fund, first close expected in H1 2021 (December 07, 2020)**

Alteria Capital plans to launch its second venture debt fund, eyeing a ₹1,000 crore corpus with a green-shoe option of ₹750 crore, the company announced. The fund has been approved by SEBI and is expected to have a first close sometime in the first half of 2021. It will be the largest pool of alternative debt capital available for early and growth stage startups in India, claims Alteria Capital.

*For details:*

<https://www.livemint.com/companies/news/alteria-capital-targets-rs-1750-crore-fund-first-close-expected-in-h1-21-11607318645152.html>

## SEBI Reports

- **Extension of Timeline for submission of public comments on the consultation paper - "Review of requirement of Minimum Public Offer for large issuers in terms of Securities Contracts (Regulation) Rules, 1957" (December 7, 2020)**

SEBI had put up a consultation paper on Review of requirement of Minimum Public Offer for large issuers in terms of Securities Contracts (Regulation) Rules, 1957 on its website on November 20, 2020 seeking comments by December 07, 2020. In this regard, SEBI has extended the timeline for seeking public comments to December 24, 2020 to be given in the prescribed format.

*For details:*

[https://www.sebi.gov.in/reports-and-statistics/reports/dec-2020/extension-of-timeline-for-submission-of-public-comments-on-review-of-requirement-of-minimum-public-offer-for-large-issuers-in-terms-of-securities-contracts-regulation-rules-1957\\_48367.html](https://www.sebi.gov.in/reports-and-statistics/reports/dec-2020/extension-of-timeline-for-submission-of-public-comments-on-review-of-requirement-of-minimum-public-offer-for-large-issuers-in-terms-of-securities-contracts-regulation-rules-1957_48367.html)

## SEBI News

- **Franklin Templeton issues notice for e-voting on 6 debt schemes (December 7, 2020)**

Franklin Templeton Mutual Fund has issued a notice to investors to conduct e-voting on the winding up of six debt schemes frozen on April 23, 2020 due to redemption pressure. Unit holders will have to decide between giving consent to the winding up decision or withholding it and letting the schemes reopen. E-voting will be held from 9 am on December 26, 2020 till 6 pm on December 28, 2020. This will be followed by a meeting of unit holders through video conferencing on December 29, 2020.

*For details:*

<https://www.livemint.com/mutual-fund/franklin-templeton-issues-notice-for-e-voting-on-6-debt-schemes-11607311899048.html>

## SEBI Circular

- **Additional Payment Mechanism (i.e. ASBA, etc.) for Payment of Balance Money in Calls for partly paid specified securities issued by the listed entity (December 08, 2020)**

SEBI has introduced an additional payment mechanism (i.e. ASBA, etc.) for making subscription and/or payment of calls in respect of partly paid specified securities through SCSBs and intermediaries such as Trading Members/ Brokers - having three in one type account and Registrar and Transfer agents (RTA). This circular shall be applicable for all Call Money Notice wherein the payment period opens on or after January 01, 2021.

*For details:*

[https://www.sebi.gov.in/legal/circulars/dec-2020/additional-payment-mechanism-i-e-asba-etc-for-payment-of-balance-money-in-calls-for-partly-paid-specified-securities-issued-by-the-listed-entity\\_48378.html](https://www.sebi.gov.in/legal/circulars/dec-2020/additional-payment-mechanism-i-e-asba-etc-for-payment-of-balance-money-in-calls-for-partly-paid-specified-securities-issued-by-the-listed-entity_48378.html)

## Consultation Paper

- **Consultation Paper on Compliance Standards for Index Providers (December 08, 2020)**

The SEBI has placed a consultation paper for public comments on Compliance Standards for Index Providers, to enhance greater level of transparency, promoting the reliability of benchmark determinations, addressing benchmark governance and accountability mechanisms, by providing a broad framework for index providers managing / maintaining Indices, latest by January 07, 2021 in the prescribed format.

*For details:*

[https://www.sebi.gov.in/reports-and-statistics/reports/dec-2020/consultation-paper-on-compliance-standards-for-index-providers\\_48382.html](https://www.sebi.gov.in/reports-and-statistics/reports/dec-2020/consultation-paper-on-compliance-standards-for-index-providers_48382.html)

## SEBI Adjudication Order

- **In the matter of Vinayak Homes and Real Estate Limited (VHREL) (December 08, 2020)**

SEBI imposed a penalty of ₹60,00,000 (Rupees Sixty Lakh only), jointly and severally, on VHREL and its directors for engaged in illegal fund mobilisation and thereby violated Regulation 4(2)(t) of SEBI (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Market) Regulations, 2003.

*For details:*

[https://www.sebi.gov.in/enforcement/orders/dec-2020/adjudication-order-in-the-matter-of-vinayak-homes-and-real-estate-limited\\_48377.html](https://www.sebi.gov.in/enforcement/orders/dec-2020/adjudication-order-in-the-matter-of-vinayak-homes-and-real-estate-limited_48377.html)

## SEBI Circular

- **E-Voting Facility Provided by Listed Entities (December 9, 2020)**

Currently, there are multiple e-voting service providers (ESPs) providing e-voting facility to listed entities in India. This necessitates registration on various ESPs and maintenance of multiple user IDs and passwords by the shareholders. In order to increase the efficiency of the voting process, it has been decided to enable e-voting to all the demat account holders, by way of a single login credential, through their demat accounts/ websites of Depositories/ Depository Participants.

Demat account holders would be able to cast their vote without having to register again with the ESPs, thereby, not only facilitating seamless authentication but also enhancing ease and convenience of participating in e-voting process. The same shall be implemented in a phased manner as provided under the circular.

This facility shall be available to all individual shareholders holding the securities in demat mode. ESPs may continue to provide the facility of e-voting as per the existing process to all physical shareholders and shareholders other than individuals viz. institutions/ corporate shareholders.

*For details:*

[https://www.sebi.gov.in/legal/circulars/dec-2020/e-voting-facility-provided-by-listed-entities\\_48390.html](https://www.sebi.gov.in/legal/circulars/dec-2020/e-voting-facility-provided-by-listed-entities_48390.html)

## Cabinet Decision

- **Bilateral Memorandum of Understanding between India and Luxembourg (December 9, 2020)**

The Union Cabinet chaired by the Prime Minister, Shri Narendra Modi has given its approval for the proposal of Securities & Exchange Board of India (SEBI) to sign a bilateral Memorandum of Understanding (MOU) between SEBI and Financial and Commission de Surveillance du Secteur Financier (CSSF), Luxembourg. The MoU is likely to strengthen cross border cooperation in the area of securities regulations and facilitate mutual assistance, contribute towards efficient performance of the supervisory functions aid in imparting technical domain knowledge and enable effective enforcement of the laws and regulations governing the securities markets of India and Luxembourg.

*For details*

<https://www.pib.gov.in/PressReleasePage.aspx?PRID=1679347>

## SEBI News

- **TCS ₹16,000 crore buyback offer to open on December 18, 2020 (December 9, 2020)**

India's largest IT services firm Tata Consultancy Services (TCS) said its up to ₹16,000-crore share buyback programme will commence on December 18, 2020 and close on January 1, 2021. Last month, TCS shareholders had approved a proposal to buy back up to 5,33,33,333 equity shares of the company at ₹ 3,000 per scrip for an aggregate amount not exceeding ₹16,000 crore.

*For details:*

<https://www.moneycontrol.com/news/business/tcs-rs-16000-cr-buyback-offer-to-open-on-december-18-6210051.html>

- **SEBI to have dept. to check price manipulation, misuse of IPO funds (December 11, 2020)**

To rein in misuse of the initial public offering (IPO) proceeds, the capital markets regulator Securities and Exchange Board of India (SEBI) is all set to have a separate specialised department, which will detect possible irregularities in the utilisation of net proceeds and even do foreign accounting of such

firms. The move comes close on the heels of an extensive discussion it had with the finance ministry in November.

*For details:*

[https://www.business-standard.com/article/markets/sebi-to-have-dept-to-check-price-manipulation-misuse-of-ipo-funds-120121100023\\_1.html](https://www.business-standard.com/article/markets/sebi-to-have-dept-to-check-price-manipulation-misuse-of-ipo-funds-120121100023_1.html)

- **NSE to launch Derivatives on Nifty Financial Services Index From January 11, 2021 (December 10, 2020)**

The National Stock Exchange (NSE) said it will launch derivatives on the Nifty Financial Services Index from January 11, 2021. The exchange has already received an approval from SEBI to launch derivatives on the index. The Nifty Financial Services Index consists of 20 stocks and is designed to reflect the behaviour and performance of the Indian financial market, which includes banks, financial institutions, housing finance, insurance companies and other financial services companies.

*For details:*

<https://www.bloombergquint.com/markets/nse-to-launch-derivatives-on-nifty-financial-services-index-from-jan-11>

#### **SEBI Final Order**

- **In the matter of Divi's Laboratories Ltd. (December 11, 2020)**

SEBI restrained from accessing the securities market and imposed a penalty of ₹11 lakh on an individual, Srinivas Maddineni, for insider trading activities in the shares of Divi's Laboratories Ltd. in 2017. Besides, Srinivas Maddineni, has been directed not to deal in the shares of Divi's Laboratories Ltd. for two years. Also, he has been directed to disgorge wrongful gains of ₹1.83 lakh along with 12 per cent annual interest.

*For details:*

[https://www.sebi.gov.in/enforcement/orders/dec-2020/final-order-in-the-matter-of-divis-laboratories-ltd-in-respect-of-mr-srinivas-maddineni-\\_48408.html](https://www.sebi.gov.in/enforcement/orders/dec-2020/final-order-in-the-matter-of-divis-laboratories-ltd-in-respect-of-mr-srinivas-maddineni-_48408.html)

#### **News**

- **SEBI defers T+1 settlement plan after opposition from foreign investors (December 14, 2020)**

Following the opposition from foreign investors, market regulator Securities and Exchange Board of India (SEBI) has deferred the plan to halve the trade settlement cycle to one day (T+1), a regulatory source said. According to an earlier schedule, the SEBI board was to decide on the issue at its final board meeting for 2020.

*For details:*

[https://www.business-standard.com/article/markets/sebi-defers-t-1-settlement-plan-after-opposition-from-foreign-investors-120121400033\\_1.html](https://www.business-standard.com/article/markets/sebi-defers-t-1-settlement-plan-after-opposition-from-foreign-investors-120121400033_1.html)

#### **Consultation Paper**

- **Consultation Paper on Review of framework of Innovators Growth platform (IGP) under SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 (December 14, 2020)**

The SEBI has placed a consultation paper for public comments on the framework of Innovators Growth platform (IGP) under Chapter X of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 latest by January 11, 2021 in the prescribed format. In 2015, a new segment named as Institutional Trading Platform (ITP) was introduced by SEBI, with a view to facilitate listing of new age start-ups. In 2019, SEBI attempted to revive the platform by introducing certain amendments to the ITP framework and renamed it as the IGP.

*For details:*

[https://www.sebi.gov.in/reports-and-statistics/reports/dec-2020/consultation-paper-on-review-of-framework-of-innovators-growth-platform-igp-under-sebi-issue-of-capital-and-disclosure-requirements-regulations-2018-\\_48428.html](https://www.sebi.gov.in/reports-and-statistics/reports/dec-2020/consultation-paper-on-review-of-framework-of-innovators-growth-platform-igp-under-sebi-issue-of-capital-and-disclosure-requirements-regulations-2018-_48428.html)

#### **International Financial Services Centre (IFSC)**

- **IFSCA notifies International Financial Services Centres Authority (Bullion Exchange) Regulations, 2020 (December 13, 2020)**

In the Union Budget 2020, Union Minister of Finance Corporate Affairs Smt. Nirmala Sitharaman had made an announcement for setting up an International Bullion Exchange at the International Financial Services Centre in GIFT City, Gandhinagar, Gujarat. In this regard, International Financial Services Centres Authority (Bullion Exchange) Regulations 2020 were approved by the International Financial Services Centres Authority (IFSCA) and the said regulations have been notified and published in the Gazette of India on December 11, 2020. The regulations inter alia cover the Bullion Exchange, Clearing Corporation, Depository and Vaults. The regulations are divided into the 16 chapters. First half of the regulation deals with the Exchange and Clearing Corporations while the second half pertains to the Vaults and Depositories and related provisions.

*For details:*

<https://pib.gov.in/PressReleasePage.aspx?PRID=1680390>

<http://egazette.nic.in/WriteReadData/2020/223674.pdf>

- **BSE, NSE, MCX gear up for India's first bullion exchange at Gift City (December 14, 2020)**

Gift City International Financial Services Centre (IFSC) is set to get India's first spot bullion exchange and this may happen in the next six months. The government has notified regulations for setting up the bullion exchange in Gift City IFSC.

*For details:*

[https://www.business-standard.com/article/economy-policy/bse-nse-mcx-gear-up-for-india-s-first-bullion-exchange-at-gift-city-120121400014\\_1.html](https://www.business-standard.com/article/economy-policy/bse-nse-mcx-gear-up-for-india-s-first-bullion-exchange-at-gift-city-120121400014_1.html)

#### **SEBI Interim Order**

- **In the matter of Equity Mania Financial Advisory and Money Streets Advisory Services LLP (December 14, 2020)**

As per two separate interim orders, Equity Mania Financial Advisory and its proprietor, Money Streets Advisory Services LLP and its partners have been directed to cease and desist from acting as investment advisors until further orders. SEBI further directed them to immediately withdraw and remove all advertisements, representations, literatures, brochures, materials, publications, documents, communications etc., physical or digital in relation to their investment advisory activity or any other unregistered activity in the securities market until further orders.

*For details:*

[https://www.sebi.gov.in/enforcement/orders/dec-2020/interim-order-in-the-matter-of-m-s-money-streets-advisory-services-llp-\\_48433.html](https://www.sebi.gov.in/enforcement/orders/dec-2020/interim-order-in-the-matter-of-m-s-money-streets-advisory-services-llp-_48433.html)

[https://www.sebi.gov.in/enforcement/orders/dec-2020/interim-order-in-the-matter-of-equity-mania-financial-advisory-prop-mr-anvit-goel-\\_48434.html](https://www.sebi.gov.in/enforcement/orders/dec-2020/interim-order-in-the-matter-of-equity-mania-financial-advisory-prop-mr-anvit-goel-_48434.html)

## SEBI Board Meeting (December 16, 2020)

The SEBI Board met on December 16, 2020 where it, *inter-alia*, took the following decisions:

- **Amendments to SEBI (Mutual Funds) Regulations, 1996**

*To facilitate innovation and enhanced reach to more investors at a faster pace including tech-enabled solutions, SEBI has proposed amendments to SEBI (Mutual Funds) Regulations, 1996 to make the sponsors that are not fulfilling profitability criteria at the time of making application also eligible to sponsor a mutual fund subject to having a net-worth of not less than INR 100 Cr. for the purpose of contribution towards the net-worth of the Asset Management Company (AMC).*

- **Recalibration of Minimum Public Shareholding norms for listed companies going through Corporate Insolvency Resolution Process (CIRP)**

Presently, during Corporate Insolvency Resolution Process (CIRP) where the public shareholding falls below 10%, such listed companies are required to bring the public shareholding to at least 10% within a period of 18 months and to 25% within 36 months. The Board has decided that *in respect of companies which continue to remain listed as a result of implementation of the resolution plan under the Insolvency and Bankruptcy Code, such companies will be mandated to have at least 5% public shareholding at the time of their admission to dealing on stock exchange, as against no minimum requirement at present. Further, such companies will be provided 12 months to achieve public shareholding of 10% from the date such shares of the company are admitted to dealings on stock exchange and 36 months to achieve public shareholding of 25% from the said date.*

- **Amendments to SEBI (ICDR) Regulations, 2018**

The Board approved the proposal to do away with the applicability of Minimum Promoters' Contribution and the subsequent lock in requirements for issuers making a Further Public Offer subject to the fulfilment of the conditions as prescribed.

The SEBI Board, *inter-alia*, took the following other decisions:

- The Board approved amendment to SEBI (Investment Advisers) Regulations, 2013 (IA Regulations) requiring Investment Advisers (IA) to seek membership of a body recognised by SEBI for administration and supervision of IAs under IA Regulations.
- The Board approved amendment to SEBI (Alternative Investment Funds) Regulations, 2012 (AIF Regulations) to provide certain exemptions to AIFs in respect of Investment Committee members in terms of Regulation 20(6) of AIF Regulations, conditional upon capital commitment of at least INR 70 Crore from each investor accompanied by a suitable waiver.
- The Board approved the amendments to the SEBI (Intermediaries) Regulations 2008 with an objective to rationalize the processes in the said Regulations and to avoid the duplicity of proceedings before the Designated Authority and the Designated Member.
- The Board approved the repeal of SEBI (Central Database of Market Participants) Regulations, 2003.

*For details:*

[https://www.sebi.gov.in/media/press-releases/dec-2020/sebi-board-meeting\\_48451.html](https://www.sebi.gov.in/media/press-releases/dec-2020/sebi-board-meeting_48451.html)

- **SEBI Adjudication Order**

**In the matter of Synergy Bizcon Limited (December 15, 2020)**

SEBI imposed penalty of ₹1.58 crore on 22 individuals (Noticees) for violations of the provisions of regulations 3(a), 3(b), 3(c), 3(d), 4(1), 4(2)(a), (e) and (g) of SEBI (Prohibition of Fraudulent and Unfair

Trade Practices) Regulations, 2003 read with Section 12A (a),(b) & (c) of the SEBI Act. The Noticees allegedly indulged in reversing their trades among themselves for the purpose of creation of artificial volume and to create false and misleading appearance of trading in the scrip of Synergy Bizcon Limited without the intention of change of actual beneficial ownership. Thus, their trade created misleading appearance of trading and contributed to increase in the scrip price of Synergy Bizcon Limited in a manipulative manner.

*For details:*

[https://www.sebi.gov.in/enforcement/orders/dec-2020/adjudication-order-in-respect-of-22-entities-in-the-matter-of-synergy-bizcon-limited\\_48452.html](https://www.sebi.gov.in/enforcement/orders/dec-2020/adjudication-order-in-respect-of-22-entities-in-the-matter-of-synergy-bizcon-limited_48452.html)

## **SEBI Circular**

- **Framework for issue of Depository Receipts - Clarifications (December 18, 2020)**

SEBI vide its Circular No. SEBI/HO/MRD/DOP1/CIR/P/2019/106 dated October 10, 2019 laid down a Framework for issue of Depository Receipts. SEBI has revised Para 2.15 of the said circular specifies the criteria for Permissible holders of Depository Receipts and further Para 2.12A has been inserted and provided as “The onus of identification of NRIs holders, who are issued DRs in terms employee benefit scheme, would lie with the listed company. The listed company shall provide the information of such NRI DR holders to the designated depository for the purpose of monitoring of limits.”

*For details:*

[https://www.sebi.gov.in/legal/circulars/dec-2020/framework-for-issue-of-depository-receipts-clarifications\\_48477.html](https://www.sebi.gov.in/legal/circulars/dec-2020/framework-for-issue-of-depository-receipts-clarifications_48477.html)

## **Final Order**

- **In the matter of front-running by Manish Chaturvedi & Others (December 18, 2020)**

SEBI barred 16 entities from the capital markets for up to seven years for indulging in front-running activities. The entities have been prohibited from the capital markets for a period ranging from five to seven years. Of the 16 entities, six have been asked to disgorge illegal gains of nearly Rs 20 crore.

Front-running refers to an illegal practice in stock market where an entity trades on the basis of advance information from a broker or analyst before the information has been made available to their clients.

*For details:*

[https://www.sebi.gov.in/enforcement/orders/dec-2020/final-order-in-the-matter-of-front-running-by-manish-chaturvedi-and-others-\\_48484.html](https://www.sebi.gov.in/enforcement/orders/dec-2020/final-order-in-the-matter-of-front-running-by-manish-chaturvedi-and-others-_48484.html)

## **SEBI Circulars**

- **Review of inclusion of Historical Scenarios in Stress Testing in Commodity Derivatives Segment (December 21, 2020)**

SEBI issued new stress testing perimeters for commodity derivatives in order to tackle extreme volatile price events. The move comes after the SEBI received representation to review the requirement of including all the price movements during the last 15 years, in the historical scenarios prescribed for stress testing. In line with the recommendations of the Risk Management Review Committee (RMRC), the clause “Price movements corresponding to a Z-score of 10 will replace extreme price movements beyond that threshold in peak historical returns of all the commodities. Mean and sigma of returns over the applicable MPOR period across 15 years would be used for calculation of the Z-score.”, stands inserted after Para ‘1’ of Part ‘A’ of Annexure to the SEBI Circular SEBI/HO/CDMRD/DRMP/

CIR/P/2018/111 dated July 11, 2018 with a view to address the concerns emanating from exceptional and extreme volatile price events.

*For details:*

[https://www.sebi.gov.in/legal/circulars/dec-2020/review-of-inclusion-of-historical-scenarios-in-standardized-stress-testing-in-commodity-derivatives-segment\\_48494.html](https://www.sebi.gov.in/legal/circulars/dec-2020/review-of-inclusion-of-historical-scenarios-in-standardized-stress-testing-in-commodity-derivatives-segment_48494.html)

#### **SEBI Circular**

- **Master Circular on (i) Scheme of Arrangement by Listed Entities and (ii) Relaxation under Sub-rule (7) of rule 19 of the Securities Contracts (Regulation) Rules, 1957 (December 22, 2020)**

SEBI, from time to time, has been issuing various circulars/directions which lay down the detailed requirements to be complied by listed entities while undertaking schemes of arrangements. In order to enable the users to have access to the applicable circulars at one place, Master Circular in respect of schemes of arrangement has been prepared. This Master Circular is a compilation of relevant and updated circulars issued by SEBI which deal with schemes of arrangement and which are operational as on date of this circular.

*For details:*

[https://www.sebi.gov.in/legal/master-circulars/dec-2020/master-circular-on-i-scheme-of-arrangement-by-listed-entities-and-ii-relaxation-under-sub-rule-7-of-rule-19-of-the-securities-contracts-regulation-rules-1957\\_48531.html](https://www.sebi.gov.in/legal/master-circulars/dec-2020/master-circular-on-i-scheme-of-arrangement-by-listed-entities-and-ii-relaxation-under-sub-rule-7-of-rule-19-of-the-securities-contracts-regulation-rules-1957_48531.html)

#### **SEBI Adjudicating Order**

- **In the matter of Reliance Capital limited (December 22, 2020)**

SEBI imposed a penalty of ₹ 1 lakh on Reliance Capital Limited (RCL) for violation of the provisions of Regulations 42(2), 42(3), 52 and clause 2 & 4 of the Code of the Conduct specified under Third schedule read with regulation 20AA of SEBI (Depositories and Participants) Regulations, 1996.

*For details:*

[https://www.sebi.gov.in/enforcement/orders/dec-2020/adjudication-order-in-the-matter-of-reliance-capital-limited\\_48525.html](https://www.sebi.gov.in/enforcement/orders/dec-2020/adjudication-order-in-the-matter-of-reliance-capital-limited_48525.html)

#### **SEBI News**

- **Mutual fund industry in a bind over SEBI's new rules for executing trades (December 22, 2020)**

The SEBI diktat prescribing standards for executing trades might open a Pandora's Box for the mutual fund industry. The regulations, which were notified in late October and lay down a code of conduct, have raised privacy concerns and may lead to longer working hours for fund managers.

*For details:*

<http://www.journeyline.in/newsdet.aspx?q=209411>

#### **SEBI Adjudication Order**

**In respect of Bharat Patel and Others in the matter of Super Sales India Ltd. (December 23, 2020)**

SEBI imposed the total penalty of ₹15 lakh on 10 entities for violation of Regulations 13 (1) and (3) read with 13 (5) of the SEBI (Prohibition of Insider Trading) Regulations, 1992 and Regulations 29 (1) and (2) read with 29 (3) of the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 1992.

*For details:*

[https://www.sebi.gov.in/enforcement/orders/dec-2020/adjudication-order-in-respect-of-bharat-patel-and-others-in-the-matter-of-super-sales-india-ltd-\\_48555.html](https://www.sebi.gov.in/enforcement/orders/dec-2020/adjudication-order-in-respect-of-bharat-patel-and-others-in-the-matter-of-super-sales-india-ltd-_48555.html)

#### **SEBI Press Release**

- **Appointment of Observer in terms of Hon'ble Supreme Court order regarding e-voting of unit holders of the six schemes of Franklin Templeton Mutual Fund. (December 26, 2020)**

The Hon'ble Supreme Court of India vide its order dated December 09, 2020 has directed SEBI to appoint an Observer regarding the e-voting of unit holders of six schemes of Franklin Templeton Mutual Fund which is scheduled between 26th December to 29th December, 2020. Further, the Hon'ble Supreme Court has also directed that the result of the e-voting would not be announced and would be produced before the Hon'ble Supreme Court in a sealed cover along with the report of the Observer appointed by the SEBI. Accordingly, SEBI has appointed Shri Taruvai Subayya Krishnamurthy, the former Chief Election Commissioner of India as the "Observer" on December 18, 2020.

*For details:*

[https://www.sebi.gov.in/media/press-releases/dec-2020/appointment-of-observer-in-terms-of-hon-ble-supreme-court-order-regarding-e-voting-of-unit-holders-of-the-six-schemes-of-franklin-templeton-mutual-fund\\_48583.html](https://www.sebi.gov.in/media/press-releases/dec-2020/appointment-of-observer-in-terms-of-hon-ble-supreme-court-order-regarding-e-voting-of-unit-holders-of-the-six-schemes-of-franklin-templeton-mutual-fund_48583.html)

#### **SEBI Adjudication Order**

- **In the matter of New Delhi Television Limited (December 24, 2020)**

SEBI imposed a penalty of ₹ 27 crore on New Delhi Television Limited (NDTV) promoters - Mr. Prannoy Roy, Ms. Radhika Roy and RRPR Holding Pvt. Ltd. for violating various securities norms, including Prohibition of Fraudulent and Unfair Trade Practices (PFUTP) regulations. SEBI imposed the penalty against NDTV promoters for by concealing information from shareholders regarding certain loan agreements.

*For details:*

[https://www.sebi.gov.in/enforcement/orders/dec-2020/adjudication-order-in-respect-of-three-entities-in-the-matter-of-new-delhi-television-limited\\_48577.html](https://www.sebi.gov.in/enforcement/orders/dec-2020/adjudication-order-in-respect-of-three-entities-in-the-matter-of-new-delhi-television-limited_48577.html)

#### **SEBI Latest**

- **Empanelment of Agencies for Tracing of Entities and Service of Processes / Notices/ Orders Issued by SEBI Special Court/ Other Courts / SEBI Authorities at Various Places across India (December 28, 2020)**

SEBI has invited applications in prescribed format for empanelment of agencies for providing services for tracing of entities against whom processes/notices/orders have been issued by SEBI Special Courts/ other Courts/SEBI Authorities and service of such processes/notices in accordance with law on outsourced basis at various places where aforesaid entities are residing/carrying on business. The agencies interested in empanelment with SEBI for the above work and meeting eligibility criteria may submit duly filled application form in a sealed envelope up to 3.00 PM of 18<sup>th</sup> January, 2021.

*For details:*

[https://www.sebi.gov.in/sebi\\_data/tenderfiles/dec-2020/1608723818511.pdf](https://www.sebi.gov.in/sebi_data/tenderfiles/dec-2020/1608723818511.pdf)

#### **SEBI News**

- **SEBI's one-time settlement scheme to end on Thursday, December 31, 2020. (December 28, 2020)**

SEBI's one-time settlement scheme for the entities that executed reversal of trades in the stock options segment of BSE during 2014 and 2015 will end this Thursday i.e. December 31, 2020. After the

expiry of the scheme, entities who do not avail the one-time settlement opportunity will be liable for action.

*For details:*

<https://www.livemint.com/market/stock-market-news/sebi-s-one-time-settlement-scheme-to-end-on-thursday-11609162441085.html>

### **SEBI Adjudication Orders**

- **In respect of Asit C Mehta Investment Intermediaries Ltd. (December 30, 2020)**

SEBI imposed a penalty of ₹7 lakh on Asit C Mehta Investment Intermediaries Ltd. for violating the provisions of SEBI Circulars and Clause A(2) of the Code of Conduct specified in Schedule II read with Regulation 9(f) of SEBI (Stock Brokers) Regulations.

*For details:*

[https://www.sebi.gov.in/enforcement/orders/dec-2020/adjudication-order-w-r-t-asit-c-mehta-investment-intermediaries-ltd-\\_48606.html](https://www.sebi.gov.in/enforcement/orders/dec-2020/adjudication-order-w-r-t-asit-c-mehta-investment-intermediaries-ltd-_48606.html)

- **In the matter of Punjab Woolcombers Limited (December 30, 2020)**

SEBI imposed a penalty of ₹2 lakh on the promoters of Punjab Woolcombers Limited for violating Regulations 29(1), 29(2) read with Reg. 29(3) of SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.

*For details:*

[https://www.sebi.gov.in/enforcement/orders/dec-2020/adjudication-order-in-the-matter-of-punjab-woolcombers-ltd-\\_48609.html](https://www.sebi.gov.in/enforcement/orders/dec-2020/adjudication-order-in-the-matter-of-punjab-woolcombers-ltd-_48609.html)

### **SEBI Circulars**

- **Circular on Mutual Funds (December 31, 2020)**

SEBI has extended the date of applicability of the provision of paragraph 1 of SEBI Circular No. SEBI/HO/IMD/DF2/CIR/P/2020/175 dated September 17, 2020, the uniform applicability of NAV in respect of purchase of units of mutual fund schemes upon realization of funds from January 01, 2021 to February 01, 2021. Further, SEBI has modified the provisions related to Trade Execution and Allocation.

*For details:*

[https://www.sebi.gov.in/legal/circulars/dec-2020/circular-on-mutual-funds\\_48630.html](https://www.sebi.gov.in/legal/circulars/dec-2020/circular-on-mutual-funds_48630.html)

- **Creation of Security in issuance of listed debt securities and 'due diligence' by debenture trustee(s) - Extension of timeline for implementation (December 31, 2020)**

SEBI, vide circular no. SEBI/HO/MIRSD/CRADT/CIR/P/2020/218 dated November 03, 2020, specified requirements with regard to creation of security in issuance of listed debt securities and due diligence to be carried out by debenture trustee(s), which were applicable from January 01, 2021. SEBI has extended the implementation date of the provisions of the aforesaid circular to April 01, 2021 after taking into consideration the challenges arising out of the prevailing business and market conditions due to COVID-19 pandemic.

*For details:*

[https://www.sebi.gov.in/legal/circulars/dec-2020/creation-of-security-in-issuance-of-listed-debt-securities-and-due-diligence-by-debenture-trustee-s-extension-of-timeline-for-implementation\\_48621.html](https://www.sebi.gov.in/legal/circulars/dec-2020/creation-of-security-in-issuance-of-listed-debt-securities-and-due-diligence-by-debenture-trustee-s-extension-of-timeline-for-implementation_48621.html)

- **Relaxation in timelines for compliance with regulatory requirements (December 31, 2020)**

SEBI has extended the timelines for compliance with the regulatory requirements by the trading members / clearing members for maintaining call recordings of orders/ instructions received from clients to February 28, 2021. Further, for KYC application form and supporting documents of the clients to be uploaded on system of KRA the period of exclusion shall be from January 01, 2021 till February 28, 2021. A 15-day time period after February 28, 2021, is allowed to clear the back log.

*For details:*

[https://www.sebi.gov.in/legal/circulars/dec-2020/relaxation-in-timelines-for-compliance-with-regulatory-requirements\\_48625.html](https://www.sebi.gov.in/legal/circulars/dec-2020/relaxation-in-timelines-for-compliance-with-regulatory-requirements_48625.html)

- **Procedural Guidelines for Proxy Advisors (December 31, 2020)**

SEBI has modified the Clause 1(c) of the SEBI Circular No. SEBI/HO/IMD/DF1/ CIR/P/2020/147 dated August 03, 2020 as *“Proxy Advisors shall alert clients, within 24 hours of receipt of information, about any factual errors and any impending material revisions to their reports. Further, any such material revisions to their reports shall be communicated to the clients within 72 hours of receipt of the information, while ensuring that adequate time is available for clients to make an informed decision.”* Further, it is provided that Clauses 1(c) and 1(e) of the aforesaid circular shall be applicable with effect from February 01, 2021 and all other conditions shall remain unchanged.

*For details:*

[https://www.sebi.gov.in/legal/circulars/dec-2020/procedural-guidelines-for-proxy-advisors\\_48633.html](https://www.sebi.gov.in/legal/circulars/dec-2020/procedural-guidelines-for-proxy-advisors_48633.html)

#### **SEBI Adjudication Order**

- **In the matter of Reliance Petroleum Limited (now known as Reliance Industries Limited) (January 1, 2021)**

SEBI imposed a penalty of ₹40 crores on Reliance Industries Ltd (RIL) and its Chairman & Managing Director, Mukesh Ambani and ₹20 crores and ₹10 crores on other two entities i.e. Navi Mumbai SEZ Pvt Ltd. and Mumbai SEZ Ltd respectively for alleged manipulation in the trading of Reliance Petroleum Limited's (now known as RIL) securities.

As per SEBI's order, RIL executed a well-planned scheme of manipulative trades in the Cash Segment and the F&O Segment in Reliance Petroleum Limited shares. As a result of their involvement in this scheme, these entities have violated the provisions of Regulations 3(a), (b), (c), (d) and Regulations 4(1), 4(2) (d), (e) of SEBI (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Market) Regulations, 2003 and SEBI Circular no. SMDRP/DC/CIR10/01 dated November 02, 2001.

*For details:*

[https://www.sebi.gov.in/enforcement/orders/jan-2021/adjudication-order-in-respect-4-entities-in-the-matter-of-reliance-petroleum-limited\\_48637.html](https://www.sebi.gov.in/enforcement/orders/jan-2021/adjudication-order-in-respect-4-entities-in-the-matter-of-reliance-petroleum-limited_48637.html)

#### **Adjudication Order**

- **In respect of five entities in the matter of Edynamics Solutions Ltd (January 5, 2021)**

SEBI levied a total penalty of ₹1.8 crore on Edynamics Solutions Ltd (EDSL) and four individuals for violating securities market norms. In September 2017, the SEBI had issued an interim order against the company and asked the exchange (BSE) to appoint an independent auditor to conduct a forensic audit of EDSL for verification, including its financials, and trace the end-use of funds raised by the company from the public. It was found that despite various correspondences by the forensic auditor and BSE, EDSL failed to furnish the information essential to conduct the exercise of a forensic audit. Also, EDSL had misrepresented the book of accounts to the tune of ₹37 crore.

*For details:*

<https://www.moneycontrol.com/news/business/sebi-imposes-rs-1-8-crore-fine-on-edynamics-solutions-4-individuals-6307971.html>

#### **SEBI Report/Press Release**

- **Discussion paper on Review of Ownership and Governance norms to facilitate new entrants to set up Stock Exchange / Depository (January 6, 2021)**

SEBI has issued a consultation paper proposing detailed reforms relating to ownership and governance norms to facilitate new entrants to set up Stock Exchange / Depository and invited public comments on or before February 05, 2021.

The Indian securities market has witnessed dominance in trading and depository space, raising concerns on possibility of excessive concentration and institutional tardiness in quickly responding to the changing market dynamics which may have an adverse bearing on efficiency in trading, record-keeping, supervision and risk management practices. It is, therefore, proposed to create a liberalized ownership framework by allowing higher shareholding at initial / inception stage with dilution over a period of time.

*For details:*

[https://www.sebi.gov.in/media/press-releases/jan-2021/discussion-paper-on-review-of-ownership-and-governance-norms-to-facilitate-new-entrants-to-set-up-stock-exchange-depository\\_48681.html](https://www.sebi.gov.in/media/press-releases/jan-2021/discussion-paper-on-review-of-ownership-and-governance-norms-to-facilitate-new-entrants-to-set-up-stock-exchange-depository_48681.html)

#### **SEBI Circular**

- **Refund of security deposit (January 6, 2021)**

Stock Exchanges are advised that, on approval of application for surrender of Trading Member's registration by SEBI, the Exchange shall release Security Deposit of the Trading Member (engaged in trading on behalf of clients), after the period of three years from the date of receipt of surrender application by Exchange from the Trading Member (in order to meet any investor claims) or five years from the date of disablement of Trading Member's trading terminals by the Exchange, whichever is earlier.

*For details:*

[https://www.sebi.gov.in/legal/circulars/jan-2021/refund-of-security-deposit\\_48677.html](https://www.sebi.gov.in/legal/circulars/jan-2021/refund-of-security-deposit_48677.html)

#### **SEBI News**

- **Supreme Court dismisses SEBI plea against SAT relief to NHAI (January 7, 2021)**

The Supreme Court dismissed SEBI's appeal against the Securities Appellate Tribunal's order that quashed its decision to impose ₹7-lakh penalty on the NHAI for the delay in filing financial results. The tribunal had let off the authority with just a warning.

*For details:*

<https://www.financialexpress.com/market/sc-dismisses-sebi-plea-against-sat-relief-to-nhai/2165843/>

- **Supreme Court stays SAT order replacing penalty with warning (January 7, 2021)**

In a major development, the Supreme Court has stayed an order of the Securities Appellate Tribunal (SAT) wherein the latter had substituted a penalty by SEBI in a case of fraudulent trading in the shares of Mapro Industries, with just a warning. The matter pertains to an appeal filed by the SEBI following the SAT order.

*For details:*

<https://www.freepressjournal.in/business/supreme-court-stays-sat-order-replacing-penalty-with-warning>

- **Budget wish list: Broking community seeks time limit on SEBI proceedings (January 06, 2021)**

The broking community has requested the Central Government to impose a time limit on SEBI regarding initiation of proceedings and show-cause notices. The request was part of the Association of National Exchanges Members of India's (ANMI's) Union Budget wish list.

In a submission to the Union government, the brokers association said the SEBI Act does not prescribe any period of limitation on initiation of proceedings. This results in several proceedings being initiated by the SEBI several years after the alleged violation.

*For details:*

[https://www.business-standard.com/budget/article/budget-wish-list-brokers-seek-to-impose-time-limit-on-sebi-proceedings-121010501293\\_1.html](https://www.business-standard.com/budget/article/budget-wish-list-brokers-seek-to-impose-time-limit-on-sebi-proceedings-121010501293_1.html)

#### **Adjudication Order**

- **In respect of Mayur Developments and Leasings Ltd. (January 7, 2021)**

SEBI imposed a fine of ₹10 lakh on Mayur Developments and Leasings Ltd. (Noticee) for its failure to comply with summons issued in HPC Biosciences case. Noticee was asked to furnish certain information related to transfer of funds by HPC from the IPO proceeds, which was relevant for the purpose of investigation. As per SEBI order, noticee failed to submit the information/ documents sought by investigating authority vide summon dated August 4, 2016, which hampered the investigation to ascertain the facts under investigation.

*For details*

[https://www.sebi.gov.in/enforcement/orders/jan-2021/adjudication-order-in-respect-of-mayur-developments-and-leasings-ltd-in-the-matter-of-hpc-biosciences-ltd-\\_48685.html](https://www.sebi.gov.in/enforcement/orders/jan-2021/adjudication-order-in-respect-of-mayur-developments-and-leasings-ltd-in-the-matter-of-hpc-biosciences-ltd-_48685.html)

#### **SEBI Regulations**

- **SEBI has notified the amendments in following Regulations which shall come into force on the date of their publication in the Official Gazette i.e. 08-01-2021:**

- a) **SEBI (Listing Obligations and Disclosure Requirements) (Amendment) Regulations, 2021. (January 08, 2021)**

The amendment has added to the events, upon the occurrence of which a listed entity shall make the disclosure to the stock exchange in relation to the Corporate Insolvency Resolution Process (CIRP) of a listed Corporate Debtor under the Insolvency Code.

*For details:*

[https://www.sebi.gov.in/legal/regulations/jan-2021/securities-and-exchange-board-of-india-listing-obligations-and-disclosure-requirements-amendment-regulations-2021\\_48709.html](https://www.sebi.gov.in/legal/regulations/jan-2021/securities-and-exchange-board-of-india-listing-obligations-and-disclosure-requirements-amendment-regulations-2021_48709.html)

- b) **SEBI (Issue of Capital and Disclosure Requirements) (Amendment) Regulations, 2021 (January 08, 2021)**

The amendments inter alia are brought under regulation 112 which specifies, the requirements of minimum promoters' contribution shall not apply in the case where the equity shares of the issuer are frequently traded on a stock exchange for a period of at least 3 years immediately preceding the reference date, and the issuer has redressed at least 95% of the complaints received from the investors till the end of the quarter immediately preceding the month of the reference date. Further, it is provided that the issuer has been in compliance with the SEBI (LODR) Regulations, 2015, for a minimum period of 3 years immediately preceding the reference date.

For details:

[https://www.sebi.gov.in/legal/regulations/jan-2021/securities-and-exchange-board-of-india-issue-of-capital-and-disclosure-requirements-amendment-regulations-2021\\_48704.html](https://www.sebi.gov.in/legal/regulations/jan-2021/securities-and-exchange-board-of-india-issue-of-capital-and-disclosure-requirements-amendment-regulations-2021_48704.html)

**c) SEBI (Alternative Investment Funds) (Amendment) Regulations, 2021 (January 08, 2021)**

The amendment has provided the exemption from applicability of clause (i) and (ii) of the first proviso to Regulation 20(6) by inserting a proviso as -

*“Provided further that clauses (i) and (ii) shall not apply to an Alternative Investment Fund in which each investor other than the Manager, Sponsor, employees or directors of the Alternative Investment Fund or employees or directors of the Manager, has committed to invest not less than seventy crore rupees (or an equivalent amount in currency other than Indian rupee) and has furnished a waiver to the Alternative Investment Fund in respect of compliance with the said clauses, in the manner specified by the Board.”*

Further, SEBI vide circular no. SEBI/HO/IMD/DF6/CIR/P/2021/004 dated January 8, 2021 has provided the format for waiver to be furnished by the investors in this regard at Annexure I to this circular.

For details:

[https://www.sebi.gov.in/legal/regulations/jan-2021/securities-and-exchange-board-of-india-alternative-investment-funds-amendment-regulations-2021\\_48708.html](https://www.sebi.gov.in/legal/regulations/jan-2021/securities-and-exchange-board-of-india-alternative-investment-funds-amendment-regulations-2021_48708.html)

[https://www.sebi.gov.in/legal/circulars/jan-2021/circular-on-amendment-to-regulation-20-6-of-sebi-aif-regulations-2012\\_48710.html](https://www.sebi.gov.in/legal/circulars/jan-2021/circular-on-amendment-to-regulation-20-6-of-sebi-aif-regulations-2012_48710.html)

**SEBI Circulars**

**• Monthly Reporting of Portfolio Managers (January 08, 2021)**

SEBI had mandated certain changes to the regulatory framework for Portfolio Managers vide circular no. SEBI/HO/IMD/DF1/CIR/P/2020/26 dated February 13, 2020. In terms of para no. D(11) of the said circular, Portfolio Managers are required to submit a monthly report regarding their portfolio management activity, on SEBI Intermediaries Portal within 7 working days of the end of each month, as per a prescribed format. In order to broaden the information obtained under monthly reports, certain modifications are specified in the format enclosed in Annexure A to be applicable for monthly reports submitted for January 2021 onwards.

For details:

[https://www.sebi.gov.in/legal/circulars/jan-2021/monthly-reporting-of-portfolio-managers\\_48705.html](https://www.sebi.gov.in/legal/circulars/jan-2021/monthly-reporting-of-portfolio-managers_48705.html)

**• Transfer of excess contribution made by Stock Exchanges from Core SGF of one Clearing Corporation to the Core SGF of another Clearing Corporation (January 08, 2021)**

SEBI has allowed transfer of excess contribution made by Stock Exchanges from Core Settlement Guarantee Fund (SGF) of one Clearing Corporation to the Core SGF of another Clearing Corporation in inter-operable scenario as advised by SEBI to Stock Exchanges and Clearing Corporations.

For details:

[https://www.sebi.gov.in/legal/circulars/jan-2021/transfer-of-excess-contribution-made-by-stock-exchanges-from-core-sgf-of-one-clearing-corporation-to-the-core-sgf-of-another-clearing-corporation\\_48698.html](https://www.sebi.gov.in/legal/circulars/jan-2021/transfer-of-excess-contribution-made-by-stock-exchanges-from-core-sgf-of-one-clearing-corporation-to-the-core-sgf-of-another-clearing-corporation_48698.html)

## SEBI Circular

- **Revision in Daily Price Limits (DPL) for Commodity Futures Contracts (January 11, 2021)**

SEBI vide its circulars dated January 15, 2016 and September 07, 2016 had issued norms for DPL for agricultural and non-agricultural commodity derivatives. Continuing with SEBI's endeavour to develop the commodity derivatives market, the norms for DPL for commodity futures contracts (excluding Index Futures and options) have been revised.

*For details:*

[https://www.sebi.gov.in/legal/circulars/jan-2021/revision-in-daily-price-limits-dpl-for-commodity-futures-contracts\\_48720.html](https://www.sebi.gov.in/legal/circulars/jan-2021/revision-in-daily-price-limits-dpl-for-commodity-futures-contracts_48720.html)

## SEBI Adjudication Order

- **In respect of Fortis Healthcare Holdings Pvt. Ltd. (January 11, 2021)**

SEBI imposed a penalty of ₹1 lakh on Fortis Healthcare Holdings Pvt. Ltd., the erstwhile promoter of the Fortis Healthcare Ltd. (Target Company) for failure to make timely disclosures in the prescribed format and thereby violated Regulations 29(2) read with 29(3) of SEBI (Substantial Acquisition of Shares and Takeover) Regulations, 2011.

*For details:*

[https://www.sebi.gov.in/enforcement/orders/jan-2021/adjudication-order-in-respect-of-fortis-healthcare-holdings-pvt-ltd-\\_48718.html](https://www.sebi.gov.in/enforcement/orders/jan-2021/adjudication-order-in-respect-of-fortis-healthcare-holdings-pvt-ltd-_48718.html)

## SEBI in News

- **SEBI opposes Competition Commission of India (CCI) move to probe rating agencies (January 12, 2021)**

India's capital market regulator and competition watchdog are at loggerheads over the jurisdiction of credit rating agencies.

The SEBI has asked the CCI not to entertain a complaint by ratings agency Brickworks, which moved the CCI alleging predatory pricing by its peers.

*For details:*

[https://economictimes.indiatimes.com/markets/stocks/news/sebi-opposes-cci-move-to-probe-rating-agencies/articleshow/80224210.cms?utm\\_source=contentofinterest&utm\\_medium=text&utm\\_campaign=cpps](https://economictimes.indiatimes.com/markets/stocks/news/sebi-opposes-cci-move-to-probe-rating-agencies/articleshow/80224210.cms?utm_source=contentofinterest&utm_medium=text&utm_campaign=cpps)

## SEBI Regulations

- **SEBI (Investment Advisers) (Amendment) Regulations, 2021 (January 11, 2021)**

SEBI vide its notification amends the provisions of SEBI (Investment Advisers) Regulations, 2013, which shall come into force on the date of their publication in the Official Gazette i.e. 11-01-2021. The amendment has added a clause whereby it is given that for the purpose of the grant of certificate, the Board shall consider whether the applicant is a member of a recognized body or body corporate as specified under regulation 14. Provided that the existing investment advisers shall comply with the requirement under this clause in such manner as may be specified by the Board. Further, SEBI has relaxed the application fees and registration fee to be paid by every applicant at the time of grant of certificate.

*For details:*

[https://www.sebi.gov.in/legal/regulations/jan-2021/securities-and-exchange-board-of-india-investment-advisers-amendment-regulations-2021\\_48742.html](https://www.sebi.gov.in/legal/regulations/jan-2021/securities-and-exchange-board-of-india-investment-advisers-amendment-regulations-2021_48742.html)

#### **SEBI Circular**

- **Review of Volatility Scan Range (VSR) for Option contracts in Commodity Derivatives Segment (January 11, 2021)**

SEBI has prescribed minimum VSR values for underlying commodities (Non Agri commodities and Agri Commodities) based on their volatility viz, high, medium and low as categorised in SEBI circular No. SEBI/HO/CDMRD/ DRMP/CIR/P/2020/15 dated January 27, 2020. The circular shall be effective from the first trading day of the month of April 01, 2021.

*For details:*

[https://www.sebi.gov.in/legal/circulars/jan-2021/review-of-volatility-scan-range-vsr-for-option-contracts-in-commodity-derivatives-segment\\_48717.html](https://www.sebi.gov.in/legal/circulars/jan-2021/review-of-volatility-scan-range-vsr-for-option-contracts-in-commodity-derivatives-segment_48717.html)

#### **SEBI News**

- **Securities Appellate Tribunal overturns SEBI penalty on SBI, LIC, Bank of Baroda over UTI MF (January 07, 2021)**

The Securities Appellate Tribunal (SAT) has reversed the penalty imposed by the SEBI on State Bank of India (SBI), Bank of Baroda and Life Insurance Corporation (LIC) on the matter of UTI Asset Management Company (AMC).

SEBI had fined the three entities for holding over 10% stake in UTI MF, which was in violation of Regulation 7B of Mutual Fund Regulations.

*For details:*

[http://sat.gov.in/english/pdf/E2021\\_JO2020304.PDF](http://sat.gov.in/english/pdf/E2021_JO2020304.PDF)

- **Buoyant market spurs FPI registrations; number crosses 10K for first time (January 12, 2021)**

New registrations of overseas portfolio buyers (FPIs) noticed an uptick in December as buoyant market situations have spurred the establishing of funds centered on India and rising markets. The month noticed greater than 100 registrations after seven months. The number of FPIs crossed the ten thousand mark for the first time, the info from NSDL and PRIME Database exhibits. The SEBI knowledge places the number at 10,656, together with deemed FPIs.

*For details:*

<https://newschamt.com/market/buoyant-market-spurs-fpi-registrations-number-crosses-10k-for-first-time/>

#### **SEBI Report/Press Release**

- **Consultation paper on Role of KYC Registration Agencies (KRAs) / Market Infrastructure Institutions (MIIs) in performing KYC (Know Your Client) of clients in securities market (January 13, 2021)**

In order to achieve multiple objectives of standardizing the KYC process, making the KYC process more robust, avoiding duplication, saving cost to Registered Intermediaries etc., a modified process for KYC in securities market has been envisaged. In this regard, a consultation paper on the proposed role of KYC Registration Agencies (KRAs) / Market Infrastructure Institutions (MIIs) in performing KYC of clients in securities market has been issued by SEBI and public comments on the same have been invited by February 15, 2021.

*For details:*

[https://www.sebi.gov.in/media/press-releases/jan-2021/consultation-paper-on-role-of-kyc-registration-agencies-kra-market-infrastructure-institutions-miis-in-performing-kyc-know-your-client-of-clients-in-securities-market\\_48751.html](https://www.sebi.gov.in/media/press-releases/jan-2021/consultation-paper-on-role-of-kyc-registration-agencies-kra-market-infrastructure-institutions-miis-in-performing-kyc-know-your-client-of-clients-in-securities-market_48751.html)

### **SEBI Notification**

- **Notification repealing the SEBI (Central Database of Market Participants) Regulations, 2003 (January 13, 2021)**

SEBI has repealed with immediate effect the SEBI (Central Database of Market Participants) Regulations, 2003 published in Part-III, Section 4 of the Gazette of India, Extraordinary, under notification of the Securities and Exchange Board of India number F. No. SEBI/LE/26/2003 dated the 20th November, 2003.

*For details:*

<http://egazette.nic.in/WriteReadData/2021/224367.pdf>

### **SEBI Order**

- **Interim Order in the matter of CNBC Awaaz “Stock 20-20” Show co-hosted by Mr. Hemant Ghai (January 13, 2021)**

SEBI has restrained Mr. Hemant Ghai, Ms. Jaya Hemant Ghai and Ms. Shyam Mohini Ghai from buying, selling or dealing in securities and further Mr. Hemant Ghai was directed to cease and desist from undertaking, directly or indirectly, any activity related to giving investment advice, sell or buy recommendations, publishing of research reports etc., related to the securities market, till further directions. It was observed by SEBI that Ms. Jaya and Ms. Shyam Mohini Ghai, (wife and mother, respectively) have undertaken a large number of Buy-Today-Sell-Tomorrow (“BTST”) trades during the Relevant Period in synchronization with the recommendations made in the show co-hosted by Mr. Hemant Ghai which were prima facie in violation of provisions of SEBI Act and SEBI (Prohibition of Fraudulent and Unfair Trade Practices Relating to Securities Market) Regulations, 2003, and they have earned proceeds amounting to ₹2,95,18,680/- just through the limited number of trades examined during the Relevant Period.

*For details:*

[https://www.sebi.gov.in/enforcement/orders/jan-2021/interim-order-dated-january-13-2021-in-the-matter-of-cnbc-awaaz-stock-20-20-show-co-hosted-by-mr-hemant-ghai\\_48743.html](https://www.sebi.gov.in/enforcement/orders/jan-2021/interim-order-dated-january-13-2021-in-the-matter-of-cnbc-awaaz-stock-20-20-show-co-hosted-by-mr-hemant-ghai_48743.html)

### **SEBI in News**

- **SEBI grants 2 more weeks to IndusInd Bank promoters for residual capital infusion (January 13, 2021)**

SEBI has provided an additional two weeks to promoters of IndusInd Bank for infusion of residual capital in lieu of conversion of warrants issued to them last year worth over ₹2,695 crore. In view of the uncertain times due to the COVID-19 pandemic, the bank had approached SEBI for extension in time for payment of the balance amount.

*For details:*

<https://economictimes.indiatimes.com/markets/stocks/news/sebi-grants-2-more-weeks-to-indusind-bank-promoters-for-residual-capital-infusion/articleshow/80256538.cms>

## SEBI Press Release

- **SEBI Chairman meets industry representatives on Business Responsibility and Sustainability Reporting by listed companies (January 15, 2021)**

SEBI conducted a round-table, chaired by its Chairman, Shri Ajay Tyagi, on Business Responsibility and Sustainability Reporting (BRSR) on January 15, 2021. The round-table was conducted, in addition to public consultation on the BRSR formats to gather views of stakeholders on the preparedness for disclosures, prior to finalization of the formats. The deliberations in the round-table will assist SEBI in finalizing the BRSR format.

*For details:*

[https://www.sebi.gov.in/media/press-releases/jan-2021/sebi-chairman-meets-industry-representatives-on-business-responsibility-and-sustainability-reporting-by-listed-companies\\_48776.html](https://www.sebi.gov.in/media/press-releases/jan-2021/sebi-chairman-meets-industry-representatives-on-business-responsibility-and-sustainability-reporting-by-listed-companies_48776.html)

## SEBI Circulars

- **Relaxation from compliance with certain provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 due to the CoVID -19 pandemic (January 15, 2021)**

The relaxations in respect of sending physical copies of annual report to shareholders and requirement of proxy for general meetings held through electronic mode as provided in Paras 3 to 6 of the SEBI Circular dated May 12, 2020, are extended for listed entities, till December 31, 2021.

*For details:*

[https://www.sebi.gov.in/legal/circulars/jan-2021/relaxation-from-compliance-with-certain-provisions-of-the-sebi-listing-obligations-and-disclosure-requirements-regulations-2015-due-to-the-covid-19-pandemic\\_48790.html](https://www.sebi.gov.in/legal/circulars/jan-2021/relaxation-from-compliance-with-certain-provisions-of-the-sebi-listing-obligations-and-disclosure-requirements-regulations-2015-due-to-the-covid-19-pandemic_48790.html)

- **Norms for investment and disclosure by Mutual Funds in Exchange Traded Commodity Derivatives (“ETCDs”) (January 15, 2021)**

SEBI vide Circulars No. SEBI/HO/IMD/DF2/CIR/P/2019/65 dated May 21, 2019 and SEBI/HO/IMD/DF2/CIR/P/2020/96 dated June 05, 2020 permitted mutual funds to participate in ETCDs. In this regards, it is clarified that the following exposures shall not be considered in the cumulative gross exposure as specified in paragraph 4 (v) of said SEBI Circular dated May 21, 2019:

- a. Short position in Exchange Traded Commodity Derivatives (ETCDs) not exceeding the holding of the underlying goods received in physical settlement of ETCD contracts.
- b. Short position in ETCDs not exceeding the long position in ETCDs on the same goods.

*For details:*

[https://www.sebi.gov.in/legal/circulars/jan-2021/norms-for-investment-and-disclosure-by-mutual-funds-in-exchange-traded-commodity-derivatives-etcds-\\_48789.html](https://www.sebi.gov.in/legal/circulars/jan-2021/norms-for-investment-and-disclosure-by-mutual-funds-in-exchange-traded-commodity-derivatives-etcds-_48789.html)

## SEBI Adjudication Orders (January 18, 2021)

S. No.	Name of Entity on which penalty is imposed	Alleged Violations	Penalty (in ₹)
1.	Nicer Green Housing and Infrastructure Developers Limited ('the Company')	The Company and its four directors were engaged in the illegal fund mobilising activity by floating/ sponsoring/ launching, unregistered/ unauthorised Collective Investment Scheme, as defined in the Section 11AA of the SEBI Act.	70 lakh
2.	Fairwealth Securities Limited ('FSL')	FSL Violated the provisions of SEBI circular MIRSD/SE/Cir19/2009 dated December 03, 2009, Clauses 8, 2.4.2, 2.5.5 and 2.6 of SEBI circular SEBI/HO/MIRSD/MIRSD/CIR/P/2016/95 dated September 26, 2016, SEBI Circular SEBI/HO/MIRSD/MIRSD2/CIR/P/2016/95 dated September 26, 2016, and Clause A(2) and A(5) of Code of Conduct for Stock Brokers specified in Regulation 9 of SEBI (Stock Brokers) Regulations, 1992 and provisions of SEBI circular no. SMD/SED/CIR/93/23321 dated November 18, 1993.	30 lakh

For details :

<https://www.sebi.gov.in/sebiweb/home/HomeAction.do?doListingAll=yes>

### SEBI Order

- **Settlement Order in the matter of trade reversals in the stock options segment of BSE (January 15, 2021)**

SEBI framed a Settlement Scheme in accordance with the provisions of the Settlement Regulations which provided a onetime opportunity for settlement to the entities that have executed reversal trades in the stock options segment of BSE during the period from April 1, 2014 to September 30, 2015 against whom any proceedings are pending. As per the Settlement Order, a total of 1,018 entities have availed the benefit of the Scheme and remitted the specified settlement amount. Further, the details of the applicants and the payments made by them have been provided in the Settlement Order.

For details:

[https://www.sebi.gov.in/enforcement/orders/jan-2021/settlement-order-in-the-matter-of-settlement-applications-filed-under-the-sebi-settlement-scheme-2020\\_48772.html](https://www.sebi.gov.in/enforcement/orders/jan-2021/settlement-order-in-the-matter-of-settlement-applications-filed-under-the-sebi-settlement-scheme-2020_48772.html)

### SEBI in News

- **Six suspended debt schemes: Franklin Templeton investors vote for closure (January 18, 2021)**

In a major relief for embattled fund house Franklin Templeton, over 90 per cent of investors have voted in favour of the closure of six suspended debt funds. Investors can now hope to receive `9,190

crore accumulated in five cash positive debt schemes. The Supreme Court in its next hearing, scheduled for January 25, will decide on the process for distribution of the cash and liquidation of assets in the schemes.

*For details :*

<https://www.thehindubusinessline.com/markets/stock-markets/six-suspended-debt-schemes-franklin-templeton-investors-vote-for-closure/article33603158.ece>

### **SEBI Circular**

- **Relaxations relating to procedural matters - Issues and Listing (January 19, 2021)**

SEBI vide Circular no. SEBI/HO/CFD/DIL2/ CIR/P/ 2020/78 dated May 06, 2020 granted one time relaxations from strict enforcement of certain Regulations of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018, pertaining to Rights Issue opening. The relaxation mentioned in point (iv) of Circular is further extended and shall be applicable for Rights Issues opening upto March 31, 2021 provided the issuer along with the Lead Manager(s) shall continue to comply with point (v) of the said SEBI Circular No. SEBI/HO/ CFD/ DIL2/ CIR/ P/ 2020/78 dated May 06, 2020.

*For details :*

[https://www.sebi.gov.in/legal/circulars/jan-2021/relaxations-relating-to-procedural-matters-issues-and-listing\\_48812.html](https://www.sebi.gov.in/legal/circulars/jan-2021/relaxations-relating-to-procedural-matters-issues-and-listing_48812.html)

### **SEBI Order**

- **In the matter of Schneider Electric President Systems Limited (January 19, 2021)**

SEBI has inter alia directed Schneider Electric President Systems Limited to list the equity shares of the company on a stock exchange having nationwide terminals or delist the company following the procedure prescribed under the SEBI (Delisting of Equity Shares) Regulations, 2009 within a period of six months. On February 14, 2017, the Company came out with an Exit Offer in terms of the SEBI Circular dated October 10, 2016 numbered SEBI/HO/MRD/ DSA/CIR/P/2016/110 on 'Exclusively Listed Companies (ELC) of Derecognised / Non-operational / exited Stock Exchanges placed in the Dissemination Board (DB)' at an exit price of ₹200.40 per equity share. An ELC which was eligible to list on a nationwide stock exchange, cannot unilaterally opt for delisting by taking recourse under the 2016 circular.

*For details :*

[https://www.sebi.gov.in/enforcement/orders/jan-2021/order-in-the-matter-of-schneider-electric-president-systems-limited-in-respect-of-complaints-filed-by-mr-rajeev-thakkar-and-ors-\\_48813.html](https://www.sebi.gov.in/enforcement/orders/jan-2021/order-in-the-matter-of-schneider-electric-president-systems-limited-in-respect-of-complaints-filed-by-mr-rajeev-thakkar-and-ors-_48813.html)

### **SEBI Adjudication Orders**

- **In the matter of M/s Asit C Mehta Investment Intermediaries Ltd. (January 19, 2021)**

SEBI imposed a penalty of ₹27 lakh on M/s Asit C Mehta Investment Intermediaries Ltd., Stock Broker for violating the provisions of Securities Contracts (Regulation) Act, 1956, Broker Regulation and various SEBI Circulars/NSE Circulars.

*For details:*

[https://www.sebi.gov.in/enforcement/orders/jan-2021/adjudication-order-in-respect-of-m-s-asit-c-mehta-investment-intermediaries-ltd-\\_48804.html](https://www.sebi.gov.in/enforcement/orders/jan-2021/adjudication-order-in-respect-of-m-s-asit-c-mehta-investment-intermediaries-ltd-_48804.html)

## SEBI Adjudication Orders

- **Adjudication order in respect of Mansoor Khanda and Firoz Khanda (Noticees) in the matter of their non-compliance with the order of disgorgement of SEBI (January 20, 2021)**

SEBI imposed a penalty of ₹25 lakh on the Noticees for disregarding the directions of SEBI to disgorge the ill-gotten gains made from their activities as unregistered investment adviser which shows unwillingness on the part of the Noticees to comply with the directions of SEBI.

*For details:*

[https://www.sebi.gov.in/enforcement/orders/jan-2021/adjudication-order-in-respect-of-mansoor-khanda-and-firoz-khanda-in-the-matter-of-their-non-compliance-with-the-order-of-disgorgement-of-sebi\\_48820.html](https://www.sebi.gov.in/enforcement/orders/jan-2021/adjudication-order-in-respect-of-mansoor-khanda-and-firoz-khanda-in-the-matter-of-their-non-compliance-with-the-order-of-disgorgement-of-sebi_48820.html)

## SEBI News

- **Future Group-Reliance Industries deal gets SEBI approval (January 20, 2021)**

SEBI granted approval to the deal between Kishore Biyani-led Future Group and Reliance Retail, an arm of the Mukesh Ambani-led Reliance Industries Limited (RIL) on January 20. The SEBI, in its letter of approval, listed a number of conditions in accordance to the Composite Scheme of Arrangement.

*For details:*

<https://www.moneycontrol.com/news/business/future-group-reliance-industries-deal-gets-sebi-approval-6374131.html>

## SEBI Notification

- **Securities and Exchange Board of India (Intermediaries) (Amendment) Regulations, 2021 (January 21, 2021)**

SEBI vide its notification amends the provisions of SEBI (Intermediaries) Regulations, 2008, which shall come into force on the date of their publication in the Official Gazette i.e. 21-01-2021. By virtue of this amendment, the regulations 25, 26 and 27 have been substituted and regulation 28 has been omitted.

*For details:*

<http://egazette.nic.in/WriteReadData/2021/224625.pdf>

## SEBI Regulation

- **Corrigendum to the SEBI (Investment Advisers) (Amendment) Regulations, 2021 (January 20, 2021)**

In the notification of the Securities and Exchange Board of India, No. SEBI/LAD-NRO/GN/2021/04 dated January 11, 2021 published in the Gazette of India, Extraordinary, Part III, Section 4, in the English version, in page 3, in Regulation 2, the words “They shall come into force on the date of their publication in the Official Gazette” shall be read as “They shall come into force on April 1, 2021”.

*For details:*

[https://www.sebi.gov.in/legal/regulations/jan-2021/corrigendum-to-the-securities-and-exchange-board-of-india-investment-advisers-amendment-regulations-2021\\_48848.html](https://www.sebi.gov.in/legal/regulations/jan-2021/corrigendum-to-the-securities-and-exchange-board-of-india-investment-advisers-amendment-regulations-2021_48848.html)

## SEBI Order

- **In respect of HDFC Bank Limited in the matter of BRH Wealth Kreators Limited (January 21, 2021)**

SEBI has directed HDFC Bank Limited (HDFC) to transfer an amount of ₹158.68 Crore along with interest from October 14, 2019 till date, to an interest bearing Escrow Account, in any Nationalized

Bank by marking a lien in favour of SEBI, until the issue of settlement of clients' securities is reconciled and further directed to pay ₹1 crore monetary penalty for non-compliance with the directions contained in the Interim Order. It was alleged that HDFC had unilaterally invoked securities pledged by BRH Wealth Kreamators Limited to the extent of ₹158.68 Crore.

*For details:*

[https://www.sebi.gov.in/enforcement/orders/jan-2021/order-in-respect-of-hdfc-bank-limited-in-the-matter-of-brh-wealth-kreamators-limited\\_48841.html](https://www.sebi.gov.in/enforcement/orders/jan-2021/order-in-respect-of-hdfc-bank-limited-in-the-matter-of-brh-wealth-kreamators-limited_48841.html)

#### **SEBI News**

- **SEBI, bourses clear Future-RIL deal with riders (January 21, 2020)**

Future Retail's ₹24,713 crore-deal to sell its retail assets to billionaire Mukesh Ambani-led conglomerate Reliance Industries has got approvals from stock exchanges with certain riders. The indebted group will have to seek shareholders' nod for the deal as well as get an approval from the National Company Law Tribunal (NCLT). However, BSE and NSE, in their separate observation reports have stated that the comments on the draft scheme of arrangement are "subject to the outcome of any of the ongoing litigations/ arbitration/ legal proceedings involving the draft scheme and/ or the decision by any competent authority/ competent court in this regard".

*For details:*

<https://economictimes.indiatimes.com/markets/stocks/news/sebi-bourses-clear-future-ril-deal-with-riders/articleshow/80386812.cms>

#### **SEBI Adjudication Orders**

- **In respect of Jahman Dealers Private Limited in the matter of Dwitiya Trading Limited (January 22, 2021)**

SEBI imposed a penalty of ₹ 5 lakh on Jahman Dealers Pvt. Ltd for not complying with the summonses issued and subsequently two reminder summonses issued to it by the Investigating Authority of SEBI and therefore violated the provisions of Sections 11C (3) read with Section 11C (2) of the SEBI Act.

*For details:*

[https://www.sebi.gov.in/enforcement/orders/jan-2021/adjudication-order-in-respect-of-jahman-dealers-private-limited-in-the-matter-of-non-compliance-of-summonses-in-the-matter-of-dwitiya-trading-limited\\_48857.html](https://www.sebi.gov.in/enforcement/orders/jan-2021/adjudication-order-in-respect-of-jahman-dealers-private-limited-in-the-matter-of-non-compliance-of-summonses-in-the-matter-of-dwitiya-trading-limited_48857.html)

- **In respect of Winsome Yarns Limited and Shell Business Private Limited in the matter of Winsome Yarns Limited (January 22, 2021)**

SEBI imposed a penalty of ₹5 lakh on Shell Business Private Limited for failure to make the full consideration amount to Winsome Yarns Limited for the preferential allotment of shares of Winsome Yarns Limited and therefore violated the provisions of regulations 77(1) and 77(3) of the ICDR Regulations, 2009.

*For details:*

[https://www.sebi.gov.in/enforcement/orders/jan-2021/adjudication-order-in-respect-of-winsome-yarns-limited-and-shell-business-private-limited-in-the-matter-of-winsome-yarns-limited\\_48859.html](https://www.sebi.gov.in/enforcement/orders/jan-2021/adjudication-order-in-respect-of-winsome-yarns-limited-and-shell-business-private-limited-in-the-matter-of-winsome-yarns-limited_48859.html)

#### **SEBI Adjudication Orders**

- **In the matter of GDR issue of K Sera Sera Limited, now known as KSS Limited (January 25, 2021)**

SEBI imposed a penalty of ₹14.10 crore on KSS and its two directors for indulging in fraudulent schemes for the subscription of GDR issuance by KSS and therefore violated the provisions of Section 12A(a),

(b) and (c) of the SEBI Act, 1992 read with Regulations 3(b), (c), (d), 4(2)(c), (f), (k) & (r) of the SEBI (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Market) Regulations, 2003. Further, it is also alleged that KSS had failed to submit certain information demanded by SEBI and also submitted false information and, by doing so, have violated the provisions of Sections 11C (3) of SEBI Act.

*For details:*

[https://www.sebi.gov.in/enforcement/orders/jan-2021/adjudication-order-in-the-matter-of-gdr-issue-of-k-sera-sera-limited-now-known-as-kss-limited\\_48875.html](https://www.sebi.gov.in/enforcement/orders/jan-2021/adjudication-order-in-the-matter-of-gdr-issue-of-k-sera-sera-limited-now-known-as-kss-limited_48875.html)

- **In respect of Genie Commercial Ventures Pvt. Ltd. (January 25, 2021)**

SEBI imposed a penalty of ₹3 lakh on Genie Commercial Ventures Pvt. Ltd. for failure to make timely disclosures and thereby has violated Regulation 52(1), 52(4) and 52(5) of the LODR Regulations.

*For details:*

[https://www.sebi.gov.in/enforcement/orders/jan-2021/adjudication-order-in-respect-of-genie-commercial-ventures-pvt-ltd-\\_48874.html](https://www.sebi.gov.in/enforcement/orders/jan-2021/adjudication-order-in-respect-of-genie-commercial-ventures-pvt-ltd-_48874.html)

### **Consultation Paper**

- **Consultation Paper on introduction of provisions relating to appointment / reappointment of persons who fail to get elected as Whole-time directors / Managing Directors at the general meeting of a listed entity (January 27, 2021)**

The SEBI has placed a consultation paper on the proposal to introduce provisions in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, relating to appointment / reappointment of persons who fail to get elected as Whole-time Directors/Managing Directors at the general meeting of a listed entity. The views of various stakeholders, public comments are invited by SEBI on the proposal in the prescribed format no later than February 12, 2021.

*For details:*

[https://www.sebi.gov.in/reports-and-statistics/reports/jan-2021/consultation-paper-on-introduction-of-provisions-relating-to-appointment-or-re-appointment-of-persons-who-fail-to-get-elected-as-whole-time-directors-or-managing-directors-at-the-general-meeting-of-a-\\_48885.html](https://www.sebi.gov.in/reports-and-statistics/reports/jan-2021/consultation-paper-on-introduction-of-provisions-relating-to-appointment-or-re-appointment-of-persons-who-fail-to-get-elected-as-whole-time-directors-or-managing-directors-at-the-general-meeting-of-a-_48885.html)

### **SEBI Orders**

- **In the matter of M/s Tradebizz Research (Proprietor, Mr. Santosh Singh Parihar) (January 27, 2021)**

SEBI restrained the proprietor of investment advisory firm Tradebizz Research from accessing the securities market for a period of three years for fraudulent trading activities while providing investment advisory services to its clients and therefore violated the provisions of SEBI (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Market) Regulations, 2003 and SEBI (Investment Advisers) Regulations, 2013. Further, he is directed to resolve the complaints pending against him in the SCORES within the period of 30 days from the date of this order.

*For details:*

[https://www.sebi.gov.in/enforcement/orders/jan-2021/order-in-the-matter-of-m-s-tradebizz-research-proprietor-mr-santosh-singh-parihar-\\_48895.html](https://www.sebi.gov.in/enforcement/orders/jan-2021/order-in-the-matter-of-m-s-tradebizz-research-proprietor-mr-santosh-singh-parihar-_48895.html)

- **In the matter of M/s. MPS Infotecnics Ltd. (January 27, 2021)**

SEBI imposed a penalty of ₹50 lakh on its 4 then directors for indulging in fraudulent trading activities with respect to GDR issuance by MPS Infotecnics Ltd. and therefore violated the provisions of Section

12A (a), (b) and (c) of SEBI Act, 1992 read with Regulations 3(a), (b), (c) & (d), 4(1) of SEBI PFUTP Regulations, 2003.

*For details:*

[https://www.sebi.gov.in/enforcement/orders/jan-2021/adjudication-order-in-the-matter-of-m-s-mps-infotecnics-ltd-\\_48887.html](https://www.sebi.gov.in/enforcement/orders/jan-2021/adjudication-order-in-the-matter-of-m-s-mps-infotecnics-ltd-_48887.html)

### **SEBI Adjudication Orders**

**In the matter of delayed submission/non-submission of financial results for financial year ended March 31, 2019 (January 28, 2021)**

SEBI imposed a penalty of ₹1 lakh on Rajesh Housing Pvt. Ltd. & Unishire Urbanscape Pvt. Ltd. each for alleged violations of provisions of Regulation 52(1), 52(4) and 52(5) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

*For details:*

[https://www.sebi.gov.in/enforcement/orders/jan-2021/adjudication-order-in-respect-of-rajesh-housing-pvt-ltd-in-the-matter-of-delayed-submission-non-submission-of-financial-results-for-financial-year-ended-march-31-2019\\_48907.html](https://www.sebi.gov.in/enforcement/orders/jan-2021/adjudication-order-in-respect-of-rajesh-housing-pvt-ltd-in-the-matter-of-delayed-submission-non-submission-of-financial-results-for-financial-year-ended-march-31-2019_48907.html)

[https://www.sebi.gov.in/enforcement/orders/jan-2021/adjudication-order-in-respect-of-unishire-urbanscape-pvt-ltd-in-the-matter-of-delayed-submission-non-submission-of-financial-results-for-financial-year-ended-march-31-2019\\_48908.html](https://www.sebi.gov.in/enforcement/orders/jan-2021/adjudication-order-in-respect-of-unishire-urbanscape-pvt-ltd-in-the-matter-of-delayed-submission-non-submission-of-financial-results-for-financial-year-ended-march-31-2019_48908.html)

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# NCLT / NCLAT

## Info Capsule Series 5

- **Re-Constitution of the NCLT Benches to attend regular hearings through Video Conference w.e.f. December 1, 2020 (November 25, 2020)**

The NCLT benches have been re-constituted to attend regular hearings through Video Conference w.e.f. December 1, 2020. As per the order, the Benches shall hear the matters of their respective jurisdiction as they were hearing before lockdown (before March 23, 2020). All matters including pending before lockdown and filed during the lockdown shall be heard regularly on all working days. The benches shall sit as per Rule 9 of NCLT rules, 2016-sitting hours of the Tribunal.

*For details:*

<https://nclt.gov.in/sites/default/files/November/circulars/Re-constitution%20of%20all%20NCLT%20Benches%20order%20dated%2025.11.2020.pdf>

- **Suspension of Court work (Virtual hearing) and filing etc. in the NCLAT (November 30, 2020)**

The NCLAT has notified that the Court work (Virtual hearing) and filing etc. in the NCLAT will remain suspended on December 01 & 02, 2020. The office will also remain closed till December 02, 2020 as two Members of the NCLAT, who were also holding the Courts, was reported to have tested positive for COVID-19.

*For details:*

<https://nclat.nic.in/Useradmin/upload/17860263145fc4c08250840.pdf>

- **Functioning of NCLAT solely in Delhi impedes access to justice : Plea in Supreme Court seeks to make Chennai Bench of NCLAT functional (December 22, 2020)**

A petition has been filed in the Supreme Court seeking a direction to make functional the Chennai Bench of the National Company Law Appellate Tribunal (NCLAT).

It is stated that the proposed Bench has not been functioning even though an order was passed to set up the same in March this year.

The petition has been filed by Corporate, Insolvency and Bankruptcy Laws Bar Association (CIBBA) through its Secretary, Senior Advocate **R Murari**.

The petitioner association states that since NCLAT functions only out of New Delhi, the "*vast distances greatly impede access to justice and also greatly increase the costs that litigants must incur for access to justice.*"

*For details:*

<https://www.barandbench.com/news/litigation/plea-supreme-court-seeks-nclat-chennai-bench-functional>

- **NCLAT Notice (January 03, 2021)**

NCLAT e-filing facility is now available for filing of Appeal/ Interlocutory Application/ Reply/ Rejoinder etc. Therefore, all concerned are requested to avail the same through NCLAT e-filing portal (<https://efiling.nclat.gov.in>) w.e.f. January 04, 2021.

*For details:*

<https://nclat.nic.in/Useradmin/upload/8068794105ff1e18eb2712.pdf>

- **Revised Standard Operating Procedure for hearing of cases through virtual mode (January 03, 2021)**

NCLAT has issued Revised Standard Operating Procedure for Ld. Advocate/ Authorised Representative / Party-in-Person for hearing/Mentioning the matter through virtual mode (Cisco Webex Meeting Platform) using the e-filing portal (<https://efiling.nclat.gov.in>) from January 04, 2021.

*For details:*

[https://nclat.nic.in/wp-content/uploads/2021/01/Revised\\_SOP\\_03.01.2021.pdf](https://nclat.nic.in/wp-content/uploads/2021/01/Revised_SOP_03.01.2021.pdf)

- **MCA revised the tenure of two judicial members in NCLAT (January 05, 2021)**

In continuation of MCA notifications dated October 28, 2020, the Central Government hereby revise the tenure of Justice (Retd.) Shri Bansilal Bhat and Justice (Retd.) Shri A.I.S. Cheema as Judicial Member, NCLAT for a period till their attaining the age of 67 years, or until further orders, whichever is earlier.

*For details:*

<http://www.egazette.nic.in/WriteReadData/2021/224329.pdf>

- **MCA further extended the term of office of Justice (Retd.) Shri Bansi Lal Bhat as officiating Chairperson of NCLAT (January 15, 2021)**

In continuation of MCA notifications S.O. 1049(E) dated March 12, 2020, S.O. 2226(E) dated July 06, 2020, S.O. 3168(E) dated September 17, 2020 and S.O. 3856(E) dated October 28, 2020, the term of office of Justice (Retd.) Shri Bansi Lal Bhat, Member (Judicial) as officiating Chairperson, NCLAT is extended for a period of three months w.e.f. January 01, 2021 or till the appointment of regular Chairperson in NCLAT or until further orders, whichever is the earliest.

*For details:*

<http://egazette.nic.in/WriteReadData/2021/224458.pdf>

- **Setting up of NCLAT Chennai bench to help cos, litigants in southern states: Sitharaman (January 25, 2021)**

Union minister Smt. Nirmala Sitharaman on Monday said ‘setting up of a bench of the National Company Law Appellate Tribunal (NCLAT) will provide a major relief to companies and litigants in the southern states, and also help in reducing pendency of cases.’

The Chennai bench of the NCLAT was inaugurated by Smt. Nirmala Sitharaman, who is in charge of finance as well as corporate affairs ministries, on Monday, January 25, 2021.

*For details:*

[https://www.outlookindia.com/newscroll/setting-up-of-nclat-chennai-bench-to-help-cos-litigants-in-southern-states-sitharaman/2017199?utm\\_source=amp&utm\\_medium=wa&utm\\_campaign=amp](https://www.outlookindia.com/newscroll/setting-up-of-nclat-chennai-bench-to-help-cos-litigants-in-southern-states-sitharaman/2017199?utm_source=amp&utm_medium=wa&utm_campaign=amp)

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# Insolvency, Bankruptcy & Corporate Restructuring

## Info Capsule Series 5

### ❖ **Insolvency and Restructuring**

- **IBC suspension extended till March 2021 (December 21, 2020)**

The government has decided to extend the suspension of the Insolvency and Bankruptcy Code (IBC) till March 31, 2021, to help businesses cope with the lingering difficulties posed by the COVID-19 pandemic.

*For details:*

<https://www.thehindu.com/news/national/ibc-suspension-extended-till-march-2021/article33387578.ece>

- **Mahindra & Mahindra arm SsangYong Motor files for bankruptcy (December 21, 2020)**

Mahindra & Mahindra (M&M) said its loss-making South Korean arm SsangYong Motor Company (SYMC) has filed for bankruptcy.

The SYMC has filed an application for commencement of rehabilitation procedure with the Seoul Bankruptcy Court under the Debtor Rehabilitation and Bankruptcy Act of South Korea M&M.

*For details:*

<https://indianexpress.com/article/business/companies/mahindra-mahindra-arm-ssangyong-motor-files-for-bankruptcy-7114142/>

- **Supreme Court upholds validity of Insolvency and Bankruptcy Code (Amendment) Act, 2020**

The Supreme Court on Tuesday upheld the Constitutional validity of the amendments made to the Insolvency and Bankruptcy Code (IBC) in 2020 that mandated a minimum of 100 home buyers to come together to file an insolvency application in the National Company Law Tribunal (NCLT) to trigger the IBC against a defaulting developer.

*For details:*

<https://www.barandbench.com/news/supreme-court-upholds-validity-of-insolvency-and-bankruptcy-code-amendment-act-2020>

## ❖ **Corporate Restructuring**

- **Family-owned TVS group changes ownership model, to scrap Holding Company (December 11, 2020)**

The \$8.5-billion TVS group decided to go for restructuring by giving each family group complete ownership of businesses they manage and scrapping the holding company. There won't be any cross holdings, the family has agreed, according to the new terms. In light of this development The TVS brand will be allotted to each family group for their use in their lines of business on a perpetual, royalty-free basis.

*For details:*

[https://www.business-standard.com/article/companies/family-owned-tvs-group-changes-ownership-model-splits-businesses-120121001117\\_1.html](https://www.business-standard.com/article/companies/family-owned-tvs-group-changes-ownership-model-splits-businesses-120121001117_1.html)

- **Wipro seals \$700-million IT deal with Metro AG (December 23, 2020)**

IT major Wipro said that it will take over the information technology units of Metro AG – Metro-NOM GMBH in Germany and Metro Systems Romania SRL – under which more than 1,300 employees across Germany, Romania and India will be transferred to Wipro. Metro is a leading international wholesale company with food and non-food assortments that specialises on serving the needs of hotels, restaurants and caterers as well as independent traders

*For details:*

<https://www.financialexpress.com/industry/wipro-seals-700-million-it-deal-with-metro-ag/2155505/>

- **Spreading Wings in Aviation, Tatas to hike stake in AirAsia India to 84% (December 29, 2020)**

The Tata Group is moving to bet big on India's aviation sector. Having bid for Air India, Tata Sons Ltd said on Tuesday it has acquired an additional 32.67 per cent stake in AirAsia India from its Malaysian joint venture partner, AirAsia Bhd, for \$37.6 million.

*For details:*

<https://www.thehindubusinessline.com/economy/logistics/tata-sons-to-take-control-of-air-asia-india/article33446120.ece>

## ❖ *Insolvency and Bankruptcy*

- **Insolvency and Bankruptcy Board of India (Liquidation Process) (Fourth Amendment) Regulations, 2020 (November 13, 2020)**

To facilitate quick closure of the liquidation process, the IBBI amended the Regulations to enable the liquidator to assign or transfer a 'not readily realisable asset' to any person in consultation with the stakeholders' consultation committee. For this purpose, "not readily realisable asset" means any asset included in the liquidation estate which could not be sold through available options and includes contingent or disputed assets, and assets underlying proceedings for preferential, undervalued, extortionate credit and fraudulent transactions.

There may be a creditor who may not be willing to wait for completion of liquidation process for realisation of his debt. The IBBI amended the Regulations to enable a creditor to assign or transfer the debt due to it to any other person in accordance with the laws for the time being in force dealing with such assignment or transfer.

*For details:*

<http://www.egazette.nic.in/WriteReadData/2020/223107.pdf>

- **Insolvency and Bankruptcy Board of India (Information Utilities) (Amendment) Regulations, 2020 (November 13, 2020)**

In exercise of this power, the IBBI amended the Regulations to specify public announcement made under the Code as financial information. It mandated the Information Utilities to disseminate the public announcement to its registered users, who are creditors of the CD undergoing insolvency proceeding. This is in addition to publishing the public announcement in the newspapers and websites as required in the Regulations.

*For details:*

<https://www.ibbi.gov.in/uploads/legalframework/8191e81d94683a4f39467229de560ec8.pdf>

- **Invitation of Public Comments: Discussion Paper - Voluntary Liquidation Process (November 24, 2020)**

The Insolvency and Bankruptcy Board of India (IBBI) issued the discussion paper on Voluntary Liquidation Process to discuss on the following points:

- (a) Should there be a provision for withdrawal from the voluntary liquidation process, if such withdrawal is approved by special resolution of members, partners or contributories, as the case may be, in Voluntary Liquidation Regulations? If so, whether such withdrawal is to be approved by AA.
- (b) Should the withdrawal from voluntary liquidation process be permitted both prior to and post initiation of process of sale of assets of CP by the liquidator. If so, what conditions should be imposed to ensure proper checks and balances on such withdrawal?

The Board accordingly solicits public comments on: points mentioned (a) & (b) above; and any specific regulations in the draft Insolvency and Bankruptcy Board of India (Voluntary Liquidation Process) (Third Amendment) Regulations, 2020.

Comments may be submitted electronically by 15th December, 2020.

*For details:*

<https://www.ibbi.gov.in/uploads/whatsnew/2020-11-24-220856-5s2gc-9b3239ee87bc1d4a25681366e53b0f14.pdf>

## ❖ **Insolvency**

- **Data on Corporate Insolvency Resolution Process (CIRP)**

Corporate Insolvency Resolution Processes Yielding Resolution : As on 30th September, 2020 is available at the link

*For details:*

<https://www.ibbi.gov.in/uploads/whatsnew/9ec08a13fdaab7c36643f404b96b2010.pdf>

- The data of Corporate Insolvency Resolution Processes Ending with Order of Liquidation : As on 30th September, 2020 is available at the link :

*For details:*

<https://www.ibbi.gov.in/uploads/whatsnew/09e0440b2a6942e15e384a3d287d5158.pdf>

- **Central Government Extends Suspension of Insolvency Proceedings by another 3 Months (December 22, 2020)**

In exercise of the powers conferred by section 10A of the Insolvency and Bankruptcy Code, 2016, the Central Government hereby notifies further period of three months from the 25th December, 2020, for the purposes of the said section.

*For details:*

<https://www.ibbi.gov.in/uploads/legalframework/df55d4f612f270d6c637ee4b3c8131c8.pdf>

- **Retention of records relating to Corporate Insolvency Resolution Process (January 04, 2021)**

Insolvency and Bankruptcy Board of India (IBBI), in its Circular dated January 04, 2021 *inter-alia* directs that:

- i. An IP shall preserve copies of records generated in electronic form for a minimum period of eight years, from the date of completion of the CIRP or the conclusion of any proceeding relating to CIRP, before the Adjudicating Authority (AA), Appellate Authority or Court, or any matter pending with the Board, whichever is later.
- ii. For records other than (i) above, the IP shall maintain copies for minimum period of three years in physical form, and for minimum period of eight years in electronic form, from the date of completion of the CIRP or the conclusion of any proceeding relating to CIRP, before the Adjudicating Authority (AA), Appellate Authority or Court, or any matter pending with the Board, whichever is later.
- iii. An IP shall preserve the records at a secure place and ensure that unauthorised persons do not have access to the same. For example, he may store copies of records in electronic form with an Information Utility. Notwithstanding the place and manner of storage, the IP shall be under obligation to produce records as may be required under the Code and the Regulations.

*For details:*

<https://www.ibbi.gov.in/uploads/legalframework/5bb3be107809847f06cf2059f54ff3c8.pdf>

- **Invitation of comments from public on Pre-packaged Insolvency Resolution Process under Insolvency and Bankruptcy Code, 2016 (January 08, 2021)**

Government has constituted a sub-committee of Insolvency Law Committee (ILC) vide order dated 24.6.2020 to prepare a detailed scheme for implementing pre-pack and prearranged insolvency resolution process.

The sub-committee has designed a pre-pack framework within the basic structure of the Insolvency and Bankruptcy Code, 2016, for the Indian market as detailed in their report of October, 2020.

Public comments are hereby invited on recommendations of Sub-committee of ILC on Pre-packaged Insolvency Resolution Process. Suggestion/comments, if any, along with brief justification may be submitted online therein at the below mentioned web link by the end of business hours on 22nd January, 2021:

[https://ibbi.gov.in/webfront/prepack\\_comment\\_irp.php](https://ibbi.gov.in/webfront/prepack_comment_irp.php)

*For details:*

<https://www.ibbi.gov.in/uploads/whatsnew/34f5c5b6fb00a97dc4ab752a798d9ce3.pdf>

- **Insolvency and Bankruptcy Board of India (Model Bye- Laws and Governing Board of Insolvency Professional Agencies) (Amendment) Regulations, 2021 (January 14, 2021)**

Insolvency and Bankruptcy Board of India No. IBBI/2020-2021/GN/REG068 dated 14<sup>th</sup> January 2021 amended the Insolvency and Bankruptcy Board of India (Model Bye- Laws and Governing Board of Insolvency Professional Agencies) Regulations, 2016.

The Insolvency and Bankruptcy Board of India (Model Bye-Laws and Governing Board of Insolvency Professional Agencies) (Amendment) Regulations, 2021 *inter-alia* provides for the provisions of Self-evaluation and Compliance Officer.

According to the Amendment Regulations, the Governing Board shall evaluate its performance in a financial year within three months of the closure of the year, in the manner decided by it and the insolvency professional agency shall publish a report on self-evaluation on its website. Further, an insolvency professional agency shall designate or appoint a compliance officer who shall be responsible for ensuring compliance with the provisions of the Code and regulations, circulars, guidelines, and directions issued thereunder.

*For details:*

<http://egazette.nic.in/WriteReadData/2021/224407.pdf>

- **Supreme Court upholds order directing Operational Creditor to pay CIRP costs, fees after dismissal of insolvency plea (January 27, 2021)**

Stating that the direction did not warrant interference, the Supreme Court dismissed the appeal against NCLAT order.

The Supreme Court has upheld an order passed by the National Company Law Appellate Tribunal (NCLAT) directing an Operational Creditor to pay the CIRP costs and fees after the dismissal of his insolvency plea. (*Rajkumar Brothers And Production Pvt Ltd vs. Harish Amilineni Shareholder and erstwhile Director of Amillion Technologies Private Limited & Anr*)

*For details:*

<https://www.barandbench.com/news/litigation/supreme-court-upholds-order-directing-operational-creditor-to-pay-cirp-costs-fees-dismissal-insolvency>

## ❖ **Compromises, Arrangements and Amalgamations**

### **BSNL-MTNL merger shelved as GoM says not feasible; Cabinet to meet soon (January 25, 2021)**

The plan to revive the state-owned telecom companies Bharat Sanchar Nigam (BSNL) and Mahanagar Telephone Nigam (MTNL) by merging the two entities is set to be shelved after almost two decades of deliberations on the matter. Instead of a technical merger, the government's proposal now is to integrate the operations and some manpower of MTNL with BSNL.

*For details:*

[https://www.business-standard.com/article/economy-policy/bsnl-mtnl-merger-shelved-as-gom-says-not-feasible-cabinet-to-meet-soon-121012500014\\_1.html](https://www.business-standard.com/article/economy-policy/bsnl-mtnl-merger-shelved-as-gom-says-not-feasible-cabinet-to-meet-soon-121012500014_1.html)

## ❖ *Disinvestment*

- **Panel on divestment approves privatisation of Shipping Corporation (December 15, 2020)**

The panel on divestment headed by Cabinet Secretary Rajiv Gauba has approved the expression of interest and preliminary information memorandum (PIM) for Shipping Corporation of India, paving the way for its privatisation.

*For details:*

[https://www.business-standard.com/article/companies/conditions-for-shipping-corp-privatisation-get-govt-panel-all-clear-120121401385\\_1.html](https://www.business-standard.com/article/companies/conditions-for-shipping-corp-privatisation-get-govt-panel-all-clear-120121401385_1.html)

- **BPCL bid evaluation committee to meet today; Vedanta, Apollo Global in fray (December 15, 2020)**

A high-powered committee will, on Tuesday, evaluate preliminary bids received from mining-to-oil conglomerate Vedanta and private equity firms Apollo Global and I Squared Capital's arm Think Gas for buying the government's 52.98 per cent stake in Bharat Petroleum Corporation Limited (BPCL), sources said.

*For details:*

<https://www.businesstoday.in/current/corporate/bpcl-bid-evaluation-committee-to-meet-today-vedanta-apollo-global-in-fray/story/424899.html>

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# Direct Tax

## Info Capsule Series 5

- **Income-tax Deduction from Salaries during the Financial Year 2020-21 under section 192 of the Income-tax Act, 1961 [Circular No. 20 Dated December 03, 2020]**

The Circular contains the rates of deduction of Income Tax from the payment of Income chargeable under the head "Salaries" during the Financial Year 2020-21 and explains certain related provisions under the Act and Income Tax Rules, 1962.

*For details:*

[https://www.incometaxindia.gov.in/communications/circular/circular\\_20\\_2020.pdf](https://www.incometaxindia.gov.in/communications/circular/circular_20_2020.pdf)

- **Notification No. 90/2020 u/s 138 for sharing of information with "Secretary, Citizen Resources Information Department, Govt. of Haryana (Dated December 15, 2020)**

The Central Government hereby specifies Secretary, Citizen Resources Information Department, Government of Haryana, for the purposes of the sub-clause (ii) of clause (a) of sub-section (1) of Section 138 of the Income tax Act, 1961 in connection with sharing of information regarding income-tax assesseees for identifying the eligible beneficiaries for transfer of financial assistance through Direct Benefit Transfer Scheme.

*For details:*

[https://www.incometaxindia.gov.in/communications/notification/notification90\\_2020.pdf](https://www.incometaxindia.gov.in/communications/notification/notification90_2020.pdf)

- **Income Tax Department conducts searches in Chandigarh (Dated December 16, 2020)**

The Income Tax Department carried out search and seizure operations on 13.12.2020 in the case of a Chandigarh based listed pharmaceutical company and its associated concerns. A total of 11 premises were covered spanning Chandigarh, Delhi and Mumbai.

*For details:*

<https://www.pib.gov.in/PressReleasePage.aspx?PRID=1681129>

- **Extension of Time Limits for Income Tax Returns [PIB Dated December 30, 2020]**

In view of the challenges faced by taxpayers in meeting the statutory and regulatory compliances due to the outbreak of COVID-19, it has been decided to provide further time to the taxpayers for furnishing of Income Tax Returns, tax audit reports and declaration under Vivad Se Vishwas Scheme. Further, in order to provide more time to taxpayers to comply under various ongoing proceedings, the dates of completion of proceedings under various Direct Taxes & Benami Acts have also been extended. These extensions are as under:

- a) The due date for furnishing of Income Tax Returns for the Assessment Year 2020-21 for the taxpayers (including their partners) who are required to get their accounts audited and companies [for whom the due date, as per the provisions of section 139(1) of the Income-tax Act, 1961, was 31st October, 2020 and which was extended to 30th November, 2020 and then to 31st January, 2021] has been further extended to 15th February, 2021.
- b) The date for furnishing of Income Tax Returns for the Assessment Year 2020-21 for the taxpayers who are required to furnish report in respect of international/specified domestic transactions [for whom the due date, as per the provisions of section 139(1) of the Income-tax Act, 1961, was 30th November, 2020 and which was extended to 31st January, 2021] has been further extended to 15th February, 2021.
- c) The due date for furnishing of Income Tax Returns for the Assessment Year 2020-21 for the other taxpayers [for whom the due date, as per the provisions of section 139(1) of the Income-tax Act, 1961, was 31st July, 2020 and which was extended to 30th November, 2020 and then to 31st December, 2020] has been further extended to 10th January, 2021.
- d) The date for furnishing of various audit reports under the Act including tax audit report and report in respect of international/specified domestic transaction for the Assessment Year 2020-21 has been further extended to 15th January, 2021.
- e) The last date for making a declaration under Vivad Se Vishwas Scheme has been extended to 31st January, 2021 from 31st December, 2020.
- f) The date for passing of orders under Vivad Se Vishwas Scheme, which are required to be passed by 30th January, 2021 has been extended to 31st January, 2021.
- g) The date for passing of order or issuance of notice by the authorities under the Direct Taxes & Benami Acts which are required to be passed/ issued/ made by 30th March, 2021 has also been extended to 31st March, 2021.

Further, in order to provide relief for the third time to small and middle class taxpayers in the matter of payment of self-assessment tax, the due date for payment of self-assessment tax date is hereby again being extended. Accordingly, the due date for payment of self-assessment tax for taxpayers whose self-assessment tax liability is up to Rs. 1 lakh has been extended to 15th February, 2021 for the taxpayers mentioned in para 4(a) and para 4(b) and to 10th January, 2021 for the taxpayers mentioned in para 4(c).

*For details:*

<https://pib.gov.in/PressReleasePage.aspx?PRID=1684775>

- **CBDT launches e-portal for filing complaints regarding tax evasion/Benami Properties/Foreign Undisclosed Assets (PIB Dated January 12, 2021)**

Taking another step towards e-governance and encouraging participation of citizen as stakeholders in curbing tax evasion, the Central Board of Direct Taxes has launched an automated dedicated e-portal on the e-filing website of the Department to receive and process complaints of tax evasion, foreign undisclosed assets as well as complaints regarding benami properties.

The public can now file a Tax Evasion Petition through a link on the e-filing website of the Department <https://www.incometaxindiaefiling.gov.in/> under the head "File complaint of tax evasion/undisclosed foreign asset/ benami property". Upon successful filing of the complaint, the Department will allot a unique number to each complaint and the complainant would be able to view the status of the complaint on the Department's website.

*For details:*

<https://www.pib.gov.in/PressReleasePage.aspx?PRID=1688038>

- **Income Tax Department conducts searches in Assam (PIB Dated Jan 12, 2021)**

The Income Tax Department carried out search and survey action on 08/01/2021 in the cases of renowned Doctors/Medical professionals of Assam. The search and survey actions were carried out at 29 locations in Guwahati, Nalbari and Dibrugarh in Assam.

*For details:*

<https://www.pib.gov.in/PressReleasePage.aspx?PRID=1688040>

- **Income Tax Department conducts searches in Hyderabad (PIB Dated Jan 12, 2021)**

The Income Tax Department carried out a search and seizure action on 07.01.2021 based on investigation in income tax evasion using bogus sub-contractors/shell entities along with enquiries made relating to entities flagged for providing fake Input Tax credit.

*For details :*

<https://www.pib.gov.in/PressReleasePage.aspx?PRID=1688039>

- **Faceless Penalty Scheme, 2021 [Notification No. 02 /2021 Dated Jan 12, 2021]**

The Central Board of Direct Taxes (CBDT) has introduced a "Faceless Penalty Scheme, 2021" to handle recommendations for penalty issued under its faceless assessment programme. The scheme has laid down the procedure to issue penalty through electronic mode, including the procedures for admission of additional grounds and the admission of additional evidence during the appellate proceedings.

The penalty under this scheme shall be imposed in respect of such territorial area, or persons or class of persons, or income, as specified by the board. It aims to ensure that any penalty order issued by the authority is fool proof and has undergone multiple layers of review before it is confirmed or dropped.

*For details:*

[https://www.incometaxindia.gov.in/communications/notification/notification\\_no\\_2\\_2021.pdf](https://www.incometaxindia.gov.in/communications/notification/notification_no_2_2021.pdf)

- **CBDT issues Directions for giving effect to Faceless Penalty Scheme, 2021 [Notification No. 03/2021 Dated Jan 12, 2021]**

CBDT vide Notification No. 3/2021 dated 12.01.2021 issued directions issued u/s 274(2B) for the purpose of giving effect to the Faceless Penalty Scheme, 2021 notified vide Notification No. 2/2021 dated 12.01.2021 under the Income Tax Act, 1961 (“Act”).

The provisions of section 2, section 120, section 127, section 129, section 131, section 133, section 133C, section 136 and Chapter XXI of the Act shall apply to the procedure for imposing penalty in accordance with the Faceless Penalty Scheme, 2021 subject to the certain exceptions as specified in the Scheme.

*For details:*

*[https://www.incometaxindia.gov.in/communications/notification/notification\\_no\\_3\\_2021.pdf](https://www.incometaxindia.gov.in/communications/notification/notification_no_3_2021.pdf)*

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# Indirect Tax

## Info Capsule Series 5

- **Clarifications regarding availment of exemption on temporary import of durable Containers - Circular No. 51/2020 (November 20, 2020)**

The empty containers shall be required to be declared as an item in the bill of entry filed under section 46 of the Customs Act, 1962. The durable container shall be required to be filed as separate item (either in the same invoice or in different invoice as per commercial agreement) in addition to the export laden cargo under Section 50 of the Customs Act, 1962, for the goods meant for export.

*For details:*

<https://www.cbic.gov.in/resources/htdocs-cbec/customs/cs-circulars/cs-circulars-2020/Circular-No-51-2020-updated.pdf>

- **DGGI Rohtak arrests one more in Hisar for issuing fake invoices of input tax credit (November 24, 2020)**

The Directorate General of GST Intelligence (DGGI), Regional Unit, Rohtak falling under Gurugram Zonal Unit has arrested one more person on November 23, 2020. He was the proprietor of one of the firms and was found involved in issuing fake invoices having taxable value of Rs. 27.99 Crore and was also found involved in handling cash of other such firms issuing fake invoices to pass ITC fraudulently. The accused himself committed the offence as well as abetted the commission of offence by issuing fake invoices from various firms without actual movement of goods having taxable value of Rs. 75 Crore (approx.) and fraudulently passing ITC over Rs. 13 Crore. He passed on such fraudulent ITC to some of the buyers who availed of the same to discharge their GST liability against their outward supplies with an ulterior motive to defraud the Government exchequer.

*For details:*

<https://pib.gov.in/PressReleasePage.aspx?PRID=1675359>

- **Three persons arrested by the GST Intelligence for having indulged in massive frauds involving GST amounting to more than Rs 2350 crores (November 25, 2020)**

The Mumbai Zonal Unit of the Directorate General of GST Intelligence, Central Board of Indirect Taxes & Customs (CBIC), arrested three persons for having indulged in massive frauds involving the availment & utilization, as well as passing on of ineligible Input Tax Credit (ITC) on the strength of bogus invoices. As per Section 132 of the CGST Act 2017, issuance of invoice or Bill without supply of goods or services and wrongful availment or utilisation of Input Tax Credit on a bill/invoice, without any supply of goods or services is an offence.

*For details:*

<https://pib.gov.in/PressReleasePage.aspx?PRID=1675829>

- **Levy of ADD on imports of “Fully Drawn or Fully Oriented Yarn” - Notification No. 39/2020 - Customs (ADD) (November 26, 2020)**

This Notification seeks to amend notification No. 51/2015-Customs (ADD), dated October 21, 2015 to extend the levy of ADD on imports of "Fully Drawn or Fully Oriented Yarn/Spin Drawn Yarn/Flat Yarn of Polyester " originating in or exported from China PR & Thailand , for a further period upto and inclusive of December 31, 2020.

*For details:*

<https://www.cbic.gov.in/resources//htdocs-cbec/customs/cs-act/notifications/notfns-2020/cs-add2020/csadd39-2020.pdf>

- **Notification to Prescribe BCD Rate of 27.5% on Crude Palm Oil - Notification No. 43/2020 - Customs (November 26, 2020)**

The Central Government hereby makes the following further amendment in the notification of the Government of India, in the Ministry of Finance (Department of Revenue), No. 50/2017- Customs, dated the June 30, 2017, published in the Gazette of India, to prescribe BCD rate of 27.5% on Crude Palm Oil. This notification shall come into force with effect from November 27, 2020.

*For details:*

<https://www.cbic.gov.in/resources//htdocs-cbec/customs/cs-act/notifications/notfns-2020/cs-tarr2020/cs43-2020.pdf>

- **Levy of ADD on imports of “Fully Drawn or Fully Oriented Yarn” - Notification No. 39/2020 - Customs (ADD) (November 26, 2020)**

This Notification seeks to amend notification No. 51/2015-Customs (ADD), dated October 21, 2015 to extend the levy of ADD on imports of “Fully Drawn or Fully Oriented Yarn/Spin Drawn Yarn/Flat Yarn of Polyester ” originating in or exported from China PR & Thailand , for a further period upto and inclusive of December 31, 2020.

*For details:*

<https://www.cbic.gov.in/resources//htdocs-cbec/customs/cs-act/notifications/notfns-2020/cs-add2020/csadd39-2020.pdf>

- **Notification to Prescribe BCD Rate of 27.5% on Crude Palm Oil - Notification No. 43/2020 - Customs (November 26, 2020)**

The Central Government hereby makes the following further amendment in the notification of the Government of India, in the Ministry of Finance (Department of Revenue), No. 50/2017- Customs, dated the June 30, 2017, published in the Gazette of India, to prescribe BCD rate of 27.5% on Crude Palm Oil. This notification shall come into force with effect from November 27, 2020.

*For details:*

<https://www.cbic.gov.in/resources//htdocs-cbec/customs/cs-act/notifications/notfns-2020/cs-tarr2020/cs43-2020.pdf>

- **Waiver of Penalty - Notification No. 89/2020 - Central Tax (November 29, 2020)**

The Government waived the amount of penalty payable by any registered person under section 125 of the said Act for non-compliance of the provisions of notification No.14/2020 - Central Tax, dated March 21, 2020, published in the Gazette of India, between the period from December 1, 2020 to March 31, 2021, subject to the condition that the registered person complies with the provisions of the said notification from April 1, 2021.

*For details:*

<https://www.cbic.gov.in/resources//htdocs-cbec/gst/notfctn-89-central-tax-english-2020.pdf>

- **Exports of Gems and Jewellery through Courier Mode - Circular No. 52/2020 - Customs (November 27, 2020)**

The Courier Imports and Exports (Clearance) Regulations, 1998 place a restriction on imports of precious and semi-precious stones, gold or silver in any form and not on their exports. The extant Courier Imports and Exports (Electronic Declaration and Processing) Regulations, 2010 and the Courier Imports and Exports (Clearance) Regulations, 1998, do not restrict exports of gems and jewellery through the courier mode.

*For details:*

<https://www.cbic.gov.in/resources//htdocs-cbec/customs/cs-circulars/cs-circulars-2020/Circular-No-52-2020-updated.pdf>

- **₹1,04,963 crore of gross GST Revenue Collection in the month of November 2020(December 01, 2020)**

The gross GST revenue collected in the month of November, 2020 is ₹1,04,963 crore of which CGST is ₹19,189 crore, SGST is ₹25,540 crore, IGST is ₹51,992 crore (including ₹22,078 crore collected on import of goods) and Cess is ₹8,242 crore (including ₹ 809 crore collected on import of goods). The total number of GSTR-3B Returns filed for the month of November up to November 30, 2020 is 82 lakhs.

*For details:*

<https://www.pib.gov.in/PressReleasePage.aspx?PRID=1677332>

- **Amendment to Number of HSN digits required on Tax Invoice - Notification No. 90/2020 - Central Tax (December 01, 2020)**

This Notification seeks to make amendment to Notification no. 12/2017- Central Tax dated June 28, 2017. A registered person as mentioned in the notification shall mention eight number of digits of HSN Codes in a tax invoice issued by him.

*For details:*

<https://www.cbic.gov.in/resources//htdocs-cbec/gst/notfctn-90-central-tax-english-2020.pdf>

- **Goods and Services Tax - Compliance Calendar for the month of December, 2020**

S. No.	Return	Description	Month(s) Period	Revised Due Date
1.	GSTR - 7	Details of TDS deducted, amount of TDS paid and payable and any refund of TDS claimed	November, 2020	December 10, 2020
2.	GSTR - 8	Details of Tax collected at Source	November, 2020	December 10, 2020
3.	GSTR - 1 (Monthly)	Details of outward supplies (Aggregate Turnover greater than 1.5 Crores and up to 5 Crores)	November, 2020	December 11, 2020
4.	GSTR - 2B	Auto-drafted Input Tax Credit Statement	November, 2020	December 12, 2020
5.	GSTR - 6	Input Service Distributor	November, 2020	December 13, 2020
6.	GSTR - 5	Details of outward taxable supplies and tax payable by Non Resident Taxable person(monthly)	November, 2020	December 20, 2020

7.	GSTR - 5A	Details of outward taxable supplies and tax payable by OIDAR(monthly)	November, 2020	December 20, 2020
8.	GSTR - 3B*	Aggregate Turnover above Rs. 5 Crores in preceding F.Y.	November, 2020	December 20, 2020
		Group A States: Aggregate Turnover up to Rs. 5 Crores in preceding F.Y.	November, 2020	December 22, 2020
		Group B States: Aggregate Turnover up to Rs. 5 Crores	November, 2020	December 24, 2020
9.	GSTR - 9	Annual Return	FY 2018-19	December 31, 2020
10.	GSTR - 9A	Annual Return	FY 2018-19	December 31, 2020
11.	GSTR - 9C	Reconciliation Statement	FY 2018-19	December 31, 2020

\* **GSTR - 3B: Group A States:** Chhattisgarh, Madhya Pradesh, Gujarat, Maharashtra, Karnataka, Goa, Kerala, Tamil Nadu, Telangana, Andhra Pradesh

Union Territories: Daman & Diu and Dadra & Nagar Haveli, Puducherry, Andaman and Nicobar Islands, Lakshadweep.

**Group B States:** Himachal Pradesh, Punjab, Uttarakhand, Haryana, Rajasthan, Uttar Pradesh, Bihar, Sikkim, Arunachal Pradesh, Nagaland, Manipur, Mizoram, Tripura, Meghalaya, Assam, West Bengal, Jharkhand, Odisha, Jammu and Kashmir, Ladakh, Chandigarh, Delhi

- **Levy of Anti-dumping duty on Methylene chloride - Notification No. 42/2020 - Customs (ADD) (December 01, 2020)**

This notification seeks to amend notification No. 21/2016-Customs (ADD) dated May 31, 2016 to extend the levy of Anti-Dumping duty on Methylene chloride originating in or exported from China PR, up to and inclusive of January 31, 2021.

*For details:*

<https://www.cbic.gov.in/resources//htdocs-cbec/customs/cs-act/notifications/notfns-2020/cs-add2020/csadd42-2020.pdf>

- **Levy of Anti-dumping duty on Float Glass - Notification No. 46/2020 - Customs (ADD) (December 07, 2020)**

This notification seeks to further amend notification No. 47/2015-Customs (ADD), dated September 08, 2015 to extend the levy of ADD on imports of "Float Glass" originating in or exported from China PR, for a period of two months, upto and inclusive of February 06, 2021.

*For details:* <https://www.cbic.gov.in/resources//htdocs-cbec/customs/cs-act/notifications/notfns-2020/cs-add2020/csadd46-2020.pdf>

- **Third Party Invoicing in case of Preferential Certificates of Origin issued in terms of DFTP - Circular No. 53/2020 - Customs (December 08, 2020)**

The Certificates of Origin (COOs) issued in terms of customs notification no. 29/2015 - Custom (N.T.) dated March 10, 2015 and with third party invoicing were earlier being accepted by the proper officer but that same has been discontinued after implementation of CAROTAR, 2020. The Board is of the view that where value of goods does not have impact on the originating status, i.e. the originating criteria is 'wholly obtained', the Certificate of Origin issued in terms of Duty Free Tariff Preference Scheme for Least Developed Countries with third party commercial invoice may be accepted.

*For details:*

<https://www.cbic.gov.in/resources//htdocs-cbec/customs/cs-circulars/cs-circulars-2020/Circular-No-53-2020-updated.pdf>

- **GSTN launches 'communication between taxpayer' facility on portal (December 14, 2020)**

The GST Network has launched the "communication between taxpayer" feature on its portal. "The new functionality will provide communication platform for taxpayers wherein a recipient/purchaser can ask his supplier/s to upload any particular invoice/s that has not been uploaded but is required by the recipient to avail input tax credit (ITC)".

*For details:*

[https://www.business-standard.com/article/economy-policy/gstn-launches-communication-between-taxpayer-facility-on-portal-120121401207\\_1.html](https://www.business-standard.com/article/economy-policy/gstn-launches-communication-between-taxpayer-facility-on-portal-120121401207_1.html)

- **CBIC extends due date of GST Compliance till March 31, 2021 - Notification No. 91/2020 - Central Tax (December 14, 2020)**

In exercise of the powers conferred by section 168A of the CGST Act, 2017, read with section 20 of the IGST Act, 2017, and section 21 of the UTGST Act, 2017, the Government, hereby makes the following further amendment in the notification of the Government of India in the Ministry of Finance (Department of Revenue), No. 35/2020-Central Tax, dated the April 03, 2020 which deals with e way bills. The Due Date of GST compliance has been extended from November 2020 to March 31, 2021.

*For details:*

<http://www.egazette.nic.in/WriteReadData/2020/223697.pdf>

- **Notification to waive late fee filing for GSTR - 4 - Notification No. 93/2020 - Central Tax (December 22, 2020)**

The late fee payable for delay in furnishing of FORM GSTR-4 for the Financial Year 2019- 20 under section 47 of CGST Act, from the November 01, 2020 till December 31, 2020 shall stand waived for the registered person whose principal place of business is in the Union Territory of Ladakh.

*For details:*

<https://www.cbic.gov.in/resources//htdocs-cbec/gst/notfctn-93-central-tax-english- 2020.pdf>

- **Notification to make the 14th Amendment Rules 2020 to the CGST Rules, 2017 - Notification No. 94/2020 - Central Tax (December 22, 2020)**

The new Rule restricts the use of ITC for discharging the output tax liability. As per the notification in Rule 36(4), the limit is revised to 5% instead of earlier 10%. The CBIC has inserted Sub-rule 4A under Rule 8 which says that every application made under rule (4) shall be followed by biometric-based Aadhaar authentication and taking photograph or taking biometric information, photograph and verification of such other KYC documents, as notified, unless the applicant is exempted under sub-section (6D) of section 25, if he has opted not to get Aadhaar authentication done. In case if the applicant is an individual or of such individuals in relation to the applicant as notified under sub-section (6C) of section 25 where the applicant is not an individual, along with the verification of the original copy of the documents uploaded with the application in FORM GST REG-01 at one of the Facilitation Centres notified by the Commissioner for the purpose of this sub-rule and the application shall be deemed to be complete only after completion of the process laid down under this sub- rule.

*For details:*

<https://www.cbic.gov.in/resources//htdocs-cbec/gst/notfctn-94-central-tax-english-2020.pdf>

- **MSMEs, small dealers not to be affected by mandatory 1% cash GST payment rule (December 27, 2020)**

Small businesses and dealers will not be impacted by the new government rule of paying at least 1 per cent of GST liability in cash as only entities with annual turnover of Rs. 6 crore and above are required to follow the new rule. The new rule restricts the use of input tax credit (ITC) for discharging GST liability to 99 per cent, effective January 1, 2021.

*For details:*

<https://economictimes.indiatimes.com/small-biz/gst/msmes-small-dealers-not-to-be-affected-by-mandatory-1-pc-cash-gst-payment-rule/articleshow/79976256.cms>

- **Extension of time limit for furnishing of the annual return - Notification No. 95/2020 - Central Tax (December 30, 2020)**

This notification seeks to extend the time limit for furnishing of the annual return specified under Section 44 of CGST Act, 2017 for the financial year 2019-20 till February 28, 2021.

*For details:*

<https://www.cbic.gov.in/resources//htdocs-cbec/gst/notfctn-95-central-tax-english-2020.pdf>

- **Tariff Concessions under the trade in Goods Agreement between India and ASEAN - Notification No. 45/2020 - Customs (December 30, 2020)**

This notification seeks to give effect to the 12th tranche of Tariff Concessions under the trade in Goods Agreement between India and ASEAN.

*For details:*

<https://www.cbic.gov.in/resources//htdocs-cbec/customs/cs-act/notifications/notfns-2020/cs-tarr2020/cs45-2020.pdf>

- **Import and Export of vaccines in relation to COVID-19 through courier - Circular No. 56/2020 - Customs (December 30, 2020)**

In order to facilitate the import / export of vaccines in relation to COVID -19 through Courier, at locations where the Express Cargo Clearance System (ECCS) is operational, the Board has issued the Courier Imports and Exports (Electronic Declaration and Processing) Amendment Regulations, 2020. Imports of and exports of vaccines in relation to COVID 19 has been allowed without any value limitation.

*For details:*

<https://www.cbic.gov.in/resources//htdocs-cbec/customs/cs-circulars/cs-circulars-2020/Circular-No-56-2020.pdf>

- **Paperless Processing under SWIFT - Circular No. 57/2020 - Customs (December 30, 2020)**

CBIC's eSANCHIT application is successfully in operation since April 01, 2018. Aimed at further reducing physical interface between Customs/regulatory agencies and the trade and to increase the speed of clearance in both imports & exports, this application provides a facility to upload digitally signed Licenses/Permits/Certificates/Other Authorizations (LPCOs) by Participating Government Agencies (PGAs) at all ICES locations across India.

*For details:*

<https://www.cbic.gov.in/resources//htdocs-cbec/customs/cs-circulars/cs-circulars-2020/Circular-No-57-2020.pdf>

- **Amendment 2021 to CGST Rules, 2017 - Notification No. 01/2021 - Central Tax (January 01, 2021)**

As per amendment 2021 to CGST Rules, 2017 a registered person shall not be allowed to furnish the details of outward supplies of goods or services or both under section 37 in FORM GSTR-1, if he has not furnished the return in FORM GSTR-3B for preceding two months.

*For details:*

<https://www.cbic.gov.in/resources//htdocs-cbec/gst/notfctn-01-central-tax-english-2021.pdf>

- **GST e-invoice system completed journey of 3 months (January 02, 2021)**

GST e-invoice system, the game changer in the GST system, has completed journey of three months and has facilitated smooth transition of the tax payers to the new platform. It has enabled more than 37000 tax payers to generate more than 1680 Lakh Invoice Reference Numbers (IRNs), during last three months from the NIC developed e-Invoice system. Starting with 495 lakhs during October 2020, generation of e-Invoice has increased to 589 lakhs in November 2020 and 603 Lakhs in December 2020.

*For details:*

<https://www.pib.gov.in/PressReleasePage.aspx?PRID=1685566>

- **GST Revenue collection for December 2020 recorded all time high since implementation of GST (January 01, 2021)**

The gross GST revenue collected in the month of December 2020 is Rs. 1,15,174 crore of which CGST is Rs. 21,365 crore, SGST is Rs. 27,804 crore, IGST is Rs. 57,426 crore and Cess is Rs. 8,579 crore. The total number of GSTR-3B Returns filed for the month of November up to December 31, 2020 is 87 lakhs. In line with the recent trend of recovery in the GST revenues, the revenues for the month of December 2020 are 12% higher than the GST revenues in the same month last year.

For details:

<https://www.pib.gov.in/PressReleasePage.aspx?PRID=1685332>

- **Compliance Calendar for the month of January, 2021**

S. No.	Return	Description	Month(s) Period	Revised Date	Due
1.	GSTR - 7	Details of TDS deducted, amount of TDS paid and payable and any refund of TDS claimed	December, 2020	January 2021	10,
2.	GSTR - 8	Details of Tax collected at Source	December, 2020	January 2021	10,
3.	GSTR - 1 (Monthly)	Details of outward supplies (Aggregate Turnover greater than 1.5 Crores and up to 5 Crores)	December, 2020	January 2021	11,
4.	GSTR - 2B	Auto-drafted Input Tax Credit Statement	December, 2020	January 2021	12,
5.	GSTR - 1 (Quarterly)	Quarterly return for registered persons with aggregate turnover upto Rs. 1.50 Crores	October - December, 2020	January 2021	13,
6.	GSTR - 6	Input Service Distributor	December, 2020	January 2021	13,
7.	CMP - 08	Quarterly return for Composition Dealers	October - December, 2020	January 2021	18,
8.	GSTR - 5	Details of outward taxable supplies and tax payable by Non Resident Taxable person(monthly)	December, 2020	January 2021	20,
9.	GSTR - 5A	Details of outward taxable supplies and tax payable by OIDAR(monthly)	December, 2020	January 2021	20,
10.	GSTR - 3B*	Aggregate Turnover above Rs. 5 Crores in preceding F.Y.	December, 2020	January 2021	20,

		Group A States: Aggregate Turnover up to Rs. 5 Crores in preceding F.Y.	December, 2020	January 22, 2021
		Group B States: Aggregate Turnover up to Rs. 5 Crores	December, 2020	January 24, 2021

**\*GST - 3B : Group A States :** Chhattisgarh, Madhya Pradesh, Gujarat, Maharashtra, Karnataka, Goa, Kerala, Tamil Nadu, Telangana, Andhra Pradesh.

**Union Territories :** Daman & Diu and Dadra & Nagar Haveli, Puducherry, Andaman and Nicobar Islands, Lakshadweep.

**Group B States :** Himachal Pradesh, Punjab, Uttarakhand, Haryana, Rajasthan, Uttar Pradesh, Bihar, Sikkim, Arunachal Pradesh, Nagaland, Manipur, Mizoram, Tripura, Meghalaya, Assam, West Bengal, Jharkhand, Odisha, Jammu and Kashmir, Ladakh, Chandigarh, Delhi.

- Uber and Ola face probe over alleged GST evasion (January 11, 2021)**

A probe has been initiated against cab aggregators Uber and Ola by the Director General of Goods and Services Tax Intelligence (DGGI), which has also issued summons to officials of both the companies. The tax liability dues for Uber India has reportedly been calculated as about Rs 800 crore, while as for Bengaluru-based Ola, it has been set at around Rs 300 crore.

*For details:*

[https://www.business-standard.com/article/companies/uber-ola-face-dg-gst-intelligence-probe-related-to-alleged-tax-evasion-121011101323\\_1.html](https://www.business-standard.com/article/companies/uber-ola-face-dg-gst-intelligence-probe-related-to-alleged-tax-evasion-121011101323_1.html)

- Amendment 2021 to CGST Rules, 2017 - Notification No. 02/2021- Central Tax (January 12, 2021)**

The Government makes the following notification further to amend the notification of the Government of India, Ministry of Finance, Department of Revenue No. 2/2017-Central Tax, dated the June 19, 2017 relating to jurisdiction of Central Tax Officers.

*For details:*

<https://www.cbic.gov.in/resources//htdocs-cbec/gst/notfctn-02-central-tax-english-2021.pdf>

- Extension in waiver of Bank Guarantee - Circular No. 01/2021 - Customs (January 14, 2021)**

CBIC has decided to extend the exemption from requirement of furnishing of Bank Guarantee by the carriers for carriage of EXIM cargo for transshipment through foreign territories of Sri Lanka and Bangladesh. This relaxation would apply, if the carrier fulfils the requirement of waiver of Bank Guarantee in a like manner, as provided for by Circular No. 45/2005-Customs, dated November 11, 2005.

*For details:*

<https://www.cbic.gov.in/resources//htdocs-cbec/customs/cs-circulars/cs-circulars-2021/Circular-No-01-2021-new.pdf>

- **Module wise new functionalities deployed on the GST Portal (January 21, 2021)**

Various new functionalities are implemented on the GST Portal, from time to time, for GST stakeholders. These functionalities pertain to different modules such as Registration, Returns, Advance Ruling, Payment, Refund, other miscellaneous topics.

*For details:*

[https://tutorial.gst.gov.in/downloads/news/functionalities\\_released\\_octtodec2020.pdf](https://tutorial.gst.gov.in/downloads/news/functionalities_released_octtodec2020.pdf)

- **Central Board of Indirect Taxes and Customs celebrates International Customs Day, 2021 (January 27, 2021)**

The Central Board of Indirect Taxes and Customs (CBIC) observed the International Customs Day, 2021 on January 27, 2021. The theme for this year as given by World Customs Organisation (WCO) is “Customs bolstering Recovery, Renewal and Resilience for a sustainable supply chain”. The main programme was held at the Ministry of Finance, North Block and organised through virtual mode which was attended by Chairman CBIC, Sh. M Ajit Kumar, Members of the Board, senior officers and all field formations and Directorates under CBIC.

*For details:*

<https://www.pib.gov.in/PressReleasePage.aspx?PRID=1692770>

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# Ministry of Finance

## Info Capsule Series 5

- **Need robust global cooperation to fight cross-border tax evasion, avoidance (December 9, 2020)**

Finance Minister, Nirmala Sitharaman on Wednesday, December 9, 2020 stressed upon the need for robust global cooperation to fight cross border tax evasion and avoidance. Addressing the 13th Plenary Meeting of the Global Forum on Transparency and Exchange of Information for Tax Purposes, she called upon the international community for further strengthening and broadening of the tax transparency agenda to include global cooperation on assistance in recovery of taxes, and measures to tackle emerging risks to tax transparency.

*For details:*

<https://timesofindia.indiatimes.com/business/india-business/need-robust-global-cooperation-to-fight-cross-border-tax-evasion-avoidance-finance-minister/articleshow/79649382.cms>

- **Finance Minister Smt. Nirmala Sitharaman chairs 23rd Meeting of the Financial Stability and Development Council (December 15, 2020)**

Union Minister for Finance & Corporate Affairs, Smt. Nirmala Sitharaman chaired the 23rd Meeting of the Financial Stability and Development Council (FSDC) through video conferencing. The meeting reviewed the major macroeconomic developments and Financial Stability issues (global and domestic) with special reference to vulnerability related issues and noted that the policy measures taken by the Government of India and the financial sector regulatory authorities have ensured faster economic recovery in India as reflected in the reduced contraction of GDP in Q2 of 2020-21. The discussions were held on further measures which may be required to be taken to ensure consistent support of the financial sector for achieving faster real economic growth and achieving the overall macroeconomic targets, while continuing to maintain financial stability. The Council also discussed the budget proposals submitted by RBI and other Regulators.

*For details:*

<https://pib.gov.in/PressReleaseDetail.aspx?PRID=1680793>

- **World Bank, Gol ink pact for \$500 million project to develop Green, Safe Highway Corridors (December 22, 2020)**

The World Bank and government of India inked a pact for a \$500 million project to build safe and green national highway corridors, according to the Ministry of Road Transport and Highways (MoRTH). The highway corridors will be developed in Rajasthan, Himachal Pradesh and Andhra Pradesh.

*For details:*

<https://timesofindia.indiatimes.com/business/india-business/world-bank-goi-ink-pact-for-500-million-project-to-develop-green-safe-highway-corridors/articleshow/79877901.cms>

- **Ministry of Finance (December 28, 2020)**

Government of India (Gol) has announced the Sale (Re-issue) of (i) '4.48% Government Security, 2023' for a notified amount of INR 6,000 crore (nominal) through price based auction, (ii) 'Gol Floating Rate Bonds, 2033' for a notified amount of INR 2,000 crore (nominal) through price based auction, (iii) '6.22% Government Security, 2035' for a notified amount of INR 9,000 crore (nominal) through price based auction, and (iv) '6.67% Government Security, 2050' for a notified amount of INR 5,000 crore (nominal) through price based auction. Gol will have the option to retain additional subscription up to INR 2,000 crore against each of the above securities. The auctions will be conducted by the Reserve Bank of India, Mumbai Office, Fort, Mumbai on January 01, 2021 (Friday) using multiple price method.

*For details:*

<https://dea.gov.in/sites/default/files/Press%20Release%20for%20auction%20of%20G-Sec-28-12-20.pdf>

- **Budget 2021 - Economic Survey (January 29, 2021)**

The flagship, annual document of the Finance Ministry (presented by the Ministry's Department of Economic Affairs led by the CEA), reviews the developments that took place in the Indian economy over the past financial year. The Economic Survey 2021 will be of particular significance as the country comes out of the pandemic-hit year.

*For details:*

<https://www.moneycontrol.com/news/business/economy/budget-2021-economic-survey-live-updates-economic-survey-expected-to-be-announced-today-6412491.html>

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# Competition Laws & Economic Laws

## Info Capsule Series 5

### ❖ Competition Laws

- **CCI searches offices of major cement companies (December 11, 2020)**

The Competition Commission of India (CCI) has conducted searches on the premises of leading cement producers UltraTech Cement Ltd, ACC Ltd, Ambuja Cements Ltd, Dalmia Cement (Bharat) Ltd, Shree Cement Ltd and of Cement Manufacturers Association (CMA) to find evidence of price collusion, said a person with direct knowledge of the development.

*For details:*

<https://www.livemint.com/news/india/cci-searches-offices-of-major-cement-cos-11607621552574.html>

- **Regulators accused Facebook of buying up rising rivals (December 9, 2020)**

U.S. and States say Facebook illegally crushed competition. The Federal Trade Commission and more than 40 states accused Facebook of buying up its rivals to illegally squash competition. The federal and State regulators, who investigated, said in separate lawsuits that Facebook's purchases, especially Instagram for \$1 billion in 2012 and WhatsApp for \$19 billion two years later, eliminated competition that could have one day challenged the company's dominance. The lawsuits, filed in the U.S. District Court for the District of Columbia, underscore the growing bipartisan and international tsunami against Big Tech.

*For details:*

<https://www.nytimes.com/2020/12/09/technology/facebook-antitrust-monopoly.html>

- **Ports sector to have CCI-like body to settle disputes**

The ports sector will have an exclusive Competition Commission-like set-up to adjudicate on disputes and complaints, according to the Indian Ports Bill. The Bench will exercise jurisdiction, powers and authority similar to a civil court. It will adjudicate complaints raised concerning alleged anti-competitive practices or abuse of a dominant position at scheduled ports. It will also adjudicate complaints related to port charges levied by scheduled ports.

For details:

<https://www.thehindubusinessline.com/economy/logistics/soon-ports-sector-to-have-cci-like-body-to-settle-disputes/article33321659.ece>

## ❖ **Economic Laws**

- **Google's 'Star Wars' Facebook Pact Is Latest Antitrust Target (December 17, 2020)**

At the center of the latest antitrust lawsuit against Google is a bold claim : The company colluded with arch rival Facebook Inc. in an illegal deal to manipulate auctions for online advertising, an industry the two dominate. Google named the secret pact after a Star Wars character.

For details:

<https://www.bloomberg.com/news/articles/2020-12-17/google-illegal-deal-with-facebook-alleged-in-new-monopoly-suit>

- **Britannia drags ITC to court alleging trademark infringement - Business Journal (December 18, 2020)**

Britannia Industries Ltd has filed two cases in the Delhi High Court against rival ITC Ltd. for alleged infringement of its product packaging trademark by using similar design for ITC's new biscuits.

For details:

<https://business-journal.in/industry/britannia-drags-itc-to-court-alleging-trademark-infringement-business-journal/>

- **Parliamentary Consultative Committee meeting of Commerce and Industry on “New Foreign Trade Policy 2021-26” held (January 13, 2021)**

Meeting of the Parliamentary Consultative Committee of the Ministry of Commerce and Industry was held on January 12, 2021 on the subject “New Foreign Trade Policy 2021-26”. The meeting was chaired by the Minister of State for Commerce and Industry Shri Hardeep Singh Puri, and attended by Hon’ble Members of Parliament and senior officers of the Ministry.

The Hon’ble Members of Parliament were briefed about the Foreign Trade Policy (FTP). India’s FTP has conventionally been formulated for five years at a time. The FTP 2015-20 came into effect on 1st April 2015 and the same was extended by one year till 31 March 2021, due to Covid-19 pandemic.

It was informed that the new FTP will come into effect from 1st April 2021 for a period of five years and will strive to make India a leader in the area of international trade and channelize the synergies gained through merchandise and services exports for growth and employment with a goal to make India a USD 5 Trillion economy. A key driver for India to achieve the USD 5 Trillion mark in an expedited time frame would be boosting exports, both merchandise and services, through systematically addressing domestic and overseas constraints related to the policy, regulatory and operational framework for lowering transactions costs and enhancing ease of doing business, creating a low cost operating environment through efficient, cost-effective and adequate logistical and utilities infrastructure. Improvements in the operations of the domestic manufacturing and services sector in combination with efficient infrastructure support by the government would result in correcting the imbalances within India and feed into the trade policy. It was informed that the District Export Hubs initiative will form an important component of the new FTP.

*For details:*

*<https://commerce.gov.in/press-releases/parliamentary-consultative-committee-meeting-of-commerce-and-industry-on-new-foreign-trade-policy-2021-26-held/>*

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# Labour Laws

## Info Capsule Series 5

- **Services in the Transport (other than railways) for the Carriage of Passengers or Goods, by Land or Water, to be a Public Utility Service (November 12, 2020)**

Central Government vide its Notification S.O. 4067(E) dated 12th November, 2020 and in exercise of the powers conferred by sub-clause (vi) of clause (n) of section 2 of the Industrial Disputes Act, 1947 (14 of 1947), declares the services in the Transport (other than railways) for the carriage of passengers or goods, by land or water, to be a public utility service for the purposes of the said Act for a period of six months with effect from the 27th November, 2020.

*For details:*

<http://www.egazette.nic.in/WriteReadData/2020/223155.pdf>

- **Occupational Safety, Health and Working Conditions (Central) Rules, 2020 (November 19, 2020)**

Ministry of Labour and Employment issued Draft Occupational Safety, Health and Working Conditions (Central) Rules, 2020 for information of all persons likely to be affected thereby, and invited objections and suggestions, if any, which may be addressed to Shri Shivakant Kumar, Under Secretary to the Government of India, Ministry of Labour and Employment, Room No: 17, Shram Shakti Bhawan, Rafi Marg, New Delhi or by email (fasli@dggfasli.nic.in and shivkant.kr@gov.in ).

The objections and suggestions should be sent in a proforma containing the following columns:

- specifying the name and address of the persons and organizations ,
- specifying the rule or sub-rule which is proposed to be modified and
- specifying the revised rule or sub rule proposed to be submitted and the reasons therefore.

*For details:*

<http://www.egazette.nic.in/WriteReadData/2020/223194.pdf>

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# Banking & Insurance

## Info Capsule Series 5

- **Foreign Exchange Management Act, 1999 (FEMA)-Compounding of Contraventions under FEMA, 1999 (November 17, 2020)**

The Foreign Exchange Management (Non-Debt Instruments) Rules, 2019 and Foreign Exchange Management (Mode of Payment and Reporting of Non-Debt Instruments) Regulations, 2019 i.e. Notification No. FEMA.395/2019-RB, both notified on October 17, 2019, by Government of India and Reserve Bank of India respectively have since superseded the earlier Notification No. FEMA 20(R)/2017-RB. Accordingly, the compounding powers stand delegated to the Regional Offices/ Sub Offices of the Reserve Bank to compound the following contraventions:

*Foreign Exchange Management (Non -Debt Instruments) Rules, 2019 dated October 17, 2019 :*

- Rule 2(k) read with Rule 5 deals with Equity Instruments and Permission for making investment by a person resident outside India
- Rule 21 deals with Pricing guidelines
- Paragraph 3 (b) of Schedule I (Issue of shares without approval of RBI or Government, wherever required)
- Rule 4 (Receiving investment in India from non-resident or taking on record transfer of shares by Investee Company)
- Rule 9(4) and Rule 13(3) deals with Transfer of equity instruments of an Indian company by or to a person resident outside India and Transfer of equity instruments by NRI or OCI.

*For details:*

<https://www.rbi.org.in/Scripts/NotificationUser.aspx?Id=11995&Mode=0>

- **Reserve Bank of India hereby specifies the net owned fund of twenty crore rupees for housing finance institution (November 18, 2020)**

In exercise of the powers conferred by Section 29A(1)(b) of National Housing Bank Act, 1987, the Reserve Bank of India hereby specifies the net owned fund of twenty crore rupees for housing finance institution which is a company to commence housing finance as its principal business or carry on the business of housing finance as its principal business.

Provided that a housing finance institution which is a company holding a Certificate of Registration issued under Section 29A of National Housing Bank Act, 1987 and having net owned fund less than twenty crore rupees, may continue to carry on the business of housing finance institution, if such company achieves net owned fund of fifteen crore rupees before April 01, 2022 and twenty crore rupees before April 01, 2023.

*For details:*

<http://www.egazette.nic.in/WriteReadData/2020/223172.pdf>

- **Guaranteed insurance plans find favour amidst falling interest rates (November 18, 2020)**

The life insurance industry has seen muted growth for the first-year premiums in the first six months of the current financial year. However, guaranteed plans offered by life insurance companies have seen strong response from the policyholders. According to experts, volatile equity markets during the start of the financial year and declining interest rates on bank fixed deposits (FDs) are few reasons why policyholders have been attracted to guaranteed plans.

*For details:*

<https://www.financialexpress.com/money/insurance/guaranteed-insurance-plans-find-favour-amidst-falling-interest-rates/2130377/>

- **Maintenance of Escrow Account with a Scheduled Commercial Bank (November 17, 2020)**

A reference is invited to the instructions issued by Reserve Bank of India vide (a) DPSS.CO.PD.No.1164/02.14.006/2017-18 dated October 11, 2017 (updated as on February 28, 2020) on 'Issuance and Operation of Prepaid Payment Instruments (PPIs)'; and (b) November 17, 2020 on 'Regulation of Payment Aggregators (PAs) and Payment Gateways (PGs)'.

2. An authorized PPI Issuer or a PA is required to maintain an escrow account with a scheduled commercial bank on an ongoing basis. With a view to diversify risk and address business continuity concerns, it has been decided to allow one additional escrow account in a different scheduled commercial bank. The relevant instructions are being modified as per Annex 1 and 2 to this circular.
3. These directions are issued under Section 18 read with Section 10(2) of the Payment and Settlement Systems Act, 2007.

*For details:*

<https://www.rbi.org.in/Scripts/NotificationUser.aspx?Id=11996&Mode=0>

- **RBI releases the Report of the Internal Working Group to Review Extant Ownership Guidelines and Corporate Structure for Indian Private Sector Banks (November 20, 2020)**

The Reserve Bank of India had constituted an Internal Working Group (IWG) on June 12, 2020 to review extant ownership guidelines and corporate structure for Indian private sector banks. The Terms of Reference of the IWG inter alia included review of the eligibility criteria for individuals/ entities to apply for banking license; examination of preferred corporate structure for banks and harmonisation of norms in this regard; and, review of norms for long-term shareholding in banks by the promoters and other shareholders.

*For details:*

[https://www.rbi.org.in/Scripts/BS\\_PressReleaseDisplay.aspx?prid=50695](https://www.rbi.org.in/Scripts/BS_PressReleaseDisplay.aspx?prid=50695)

- **Insurance policy for gas cylinder blast - Check coverage, process to file claim, other details (November 20, 2020)**

There always exists a risk of gas cylinder blast in one's premises. Any such unfortunate event may lead to injuries or even death besides damage to the household property. But, not many could be aware of the fact there exists insurance against injuries, death and property damage arising out of gas cylinder blast. There is an LPG gas insurance policy of the nature of group insurance cover taken by the Oil Marketing Companies (OMCs) and even by the dealers.

OMCs such as Indian Oil Corporation Ltd (IOCL), Hindustan Petroleum Corporation Ltd (HPCL), Bharat Petroleum Corporation Ltd (BPCL), take comprehensive Insurance Policy under 'Public Liability Policy for Oil Industries' to provide speedy relief to the affected persons in case of LPG related accidents. It covers all LPG consumers registered with OMCs.

*For details:*

<https://www.financialexpress.com/money/insurance/insurance-policy-for-gas-cylinder-blast-check-coverage-process-to-file-claim-other-details/2132939/>

- **Reserve Bank of India reaches 1 million Twitter followers; first central bank globally to hit milestone (November 22, 2020)**

In less than nine years, India's Reserve Bank of India (RBI) has become the first central bank in the world to achieve the 1-million-follower mark on the microblogging network Twitter on November 22, 2020.

*For details:*

<https://www.financialexpress.com/industry/banking-finance/reserve-bank-of-india-reaches-1-million-twitter-followers-first-central-bank-globally-to-hit-milestone/2133892/>

- **Establishment of Branch Office (BO) / Liaison Office (LO) / Project Office (PO) or any other place of business in India by foreign law firms(November 23, 2020)**

Attention of the Authorised Dealer (AD - Category I) banks is invited to AP (DIR Series) Circular No. 23 dated October 29, 2015, on the above issue advising that no fresh permissions/ renewal of permission shall be granted by the Reserve Bank/AD Category-I banks to any foreign law firm for opening of Liaison Office in India, till the policy is reviewed based on, among others, final disposal of the matter by the Hon'ble Supreme Court.

The Hon'ble Supreme Court has while disposing of the case, held that advocates enrolled under the Advocates Act, 1961 alone are entitled to practice law in India and that foreign law firms/companies or foreign lawyers cannot practice profession of law in India. As such, foreign law firms/companies or foreign lawyers or any other person resident outside India, are not permitted to establish any branch office, project office, liaison office or other place of business in India for the purpose of practicing legal profession. Accordingly, AD Category - I banks are directed not to grant any approval to any branch office, project office, liaison office or other place of business in India under FEMA for the purpose of practicing legal profession in India. Further, they shall bring to the notice of the Reserve Bank in case any such violation of the provisions of the Advocates Act comes to their notice.

*For details:*

<https://www.rbi.org.in/Scripts/NotificationUser.aspx?Id=11997&Mode=0>

- **Muthoot Finance Partners With Bajaj Allianz General Insurance To Launch Gold Jewellery Insurance (November 23, 2020)**

Non-banking finance company (NBFC) Muthoot Finance has tied up with Bajaj Allianz General Insurance to provide insurance on gold jewellery as part of their new initiative "Muthoot Gold Shield". The policy would provide insurance coverage of gold jewellery for individuals.

This is designed to provide insurance coverage of gold jewellery articles for customers of the company at the time of closure of gold loan and release of gold ornaments. It will provide insurance coverage to the customers of Muthoot Finance as a loyalty product.

*For details:*

<http://www.businessworld.in/article/Muthoot-Finance-partners-with-Bajaj-Allianz-General-Insurance-to-launch-gold-jewellery-insurance/23-11-2020-345820/>

- **The Lakshmi Vilas Bank Ltd. branches to operate as DBS Bank India Ltd. branches from November 27, 2020 (November 25, 2020)**

The Government of India has sanctioned the Scheme for the amalgamation of the Lakshmi Vilas Bank Ltd. with DBS Bank India Ltd. The amalgamation will come into force on the appointed date i.e. November 27, 2020. All the branches of the Lakshmi Vilas Bank Ltd. will function as branches of DBS Bank India Ltd. with effect from this date.

*For details:*

[https://www.rbi.org.in/Scripts/BS\\_PressReleaseDisplay.aspx?prid=50713](https://www.rbi.org.in/Scripts/BS_PressReleaseDisplay.aspx?prid=50713)

- **Insurance Regulatory and Development Authority of India (Minimum Information Required for Investigation and Inspection) Regulations, 2020 (November 26, 2020)**

Insurance Regulatory and Development Authority of India (IRDAI) issued the Insurance Regulatory and Development Authority of India (Minimum Information Required for Investigation and Inspection) Regulations, 2020 with the objective of specify minimum information required to be maintained by insurer, intermediary or insurance intermediary, so as to enable the investigating officer to discharge satisfactorily his or her functions under section 33 of the Insurance Act, 1938.

*For details:*

[https://www.irdai.gov.in/ADMINCMS/cms/whatsNew\\_Layout.aspx?page=PageNo4291&flag=1](https://www.irdai.gov.in/ADMINCMS/cms/whatsNew_Layout.aspx?page=PageNo4291&flag=1)

- **Finance Ministry asks PSU general insurers to cut flab, rationalise branches, other expenses (November 29, 2020)**

The finance ministry has asked public sector general insurance firms, especially National Insurance, Oriental Insurance and United India Insurance, to rationalise branches and cut down avoidable expenses to improve their financial health.

Earlier this year, the Union Cabinet decided to halt the merger process of three state-owned general insurance companies due to weak financial positions of these three companies. Instead, the government approved fund infusion of ₹12,450 crore to meet regulatory parameters.

*For details:*

<https://economictimes.indiatimes.com/industry/banking/finance/insure/finmin-asks-psu-general-insurers-to-cut-flab-rationalise-branches-other-expenses-sources/articleshow/79473971.cms>

- **FDI in non-life insurance sector slips marginally to ₹ 509 crore in F.Y. 2019-20 (December 1, 2020)**

Foreign direct investment (FDI) in the general insurance sector slipped marginally to Rs 509.07 crore in FY 2019-20 from the previous year, latest data by the General Insurance Council (GIC) showed. In F.Y. 2018-19, FDI in the non-life insurance space was recorded at ₹ 516.61 crore.

Since the opening up of the insurance market in 2000, the non-life sector attracted a total FDI of ₹ 4,721.68 crore as on March 2020. It was ₹4,212.61 crore at the end of March 2019.

*For details:*

<https://economictimes.indiatimes.com/industry/banking/finance/insure/fdi-in-non-life-insurance-sector-slips-marginally-to-rs-509-cr-in-fy20/articleshow/79511166.cms>

- **Indian economy is gradually recovering : IMF (December 03, 2020)**

India's economy recovered faster than expected in the September quarter as a pick-up in manufacturing helped GDP clock a lower contraction of 7.5 percent and held out hopes for further improvement on better consumer demand.

*For details:*

<https://www.financialexpress.com/industry/banking-finance/indian-economy-is-gradually-recovering-imf/2142877/>

- **Halt digital launches, new credit card sourcing : RBI to HDFC Bank (December 04, 2020)**

The RBI has asked private lender HDFC Bank to temporarily stop all launches of its digital business generating activities under 'Digital 2.0' programme and sourcing of new credit card customers. In a stock exchange filing on December 2, HDFC Bank said that the Reserve Bank of India (RBI) issued an order to it in the wake of certain incidents of outages in the internet banking, mobile banking and payment utilities of the bank over the past two years.

*For details:*

<https://indianexpress.com/article/business/banking-and-finance/rbi-orders-hdfc-bank-to-halt-its-digital-launches-and-new-credit-cards-7082655/>

- **24x7 Availability of Real Time Gross Settlement (RTGS) System (December 04, 2020)**

The Reserve Bank of India has decided to make RTGS available round the clock on all days of the year with effect from 00:30 hours on December 14, 2020.

*For details:*

<https://www.rbi.org.in/Scripts/NotificationUser.aspx?Id=11998&Mode=0>

- **Card transactions in Contactless mode - Relaxation in requirement of Additional Factor of Authentication (AFA) (December 04, 2020)**

The present COVID-19 pandemic has underlined the benefits of contactless transactions. Keeping this in view and based on stakeholder feedback, it was announced in the Statement on Developmental and Regulatory Policies dated December 04, 2020 that per transaction limit for AFA relaxation for contactless card transactions will be increased. Accordingly, given the sufficient protection available to users, it has been decided to increase the per transaction limit to ₹5,000/-. All other requirements, including the discretion of cardholder to use contactless or contact mode of transaction, shall continue to remain applicable, as hitherto.

*For details:*

<https://www.rbi.org.in/Scripts/NotificationUser.aspx?Id=11999&Mode=0>

- **Authorisation of entities for operating a Payment System under the Payment and Settlement Systems Act, 2007 (PSS Act) - Introduction of Cooling Period (December 04, 2020)**

To inculcate discipline and encourage submission of applications by serious players as also for effective utilisation of regulatory resources, it has been decided by the Reserve Bank of India to introduce the concept of Cooling Period in specified situations.

*For details:*

<https://www.rbi.org.in/Scripts/NotificationUser.aspx?Id=12001&Mode=0>

- **Declaration of dividends by banks (December 04, 2020)**

In view of the ongoing stress and heightened uncertainty on account of COVID-19, it is imperative that banks continue to conserve capital to support the economy and absorb losses. In order to further strengthen the banks' Balance Sheets, while at the same time support lending to the real economy, it has been decided that banks shall not make any dividend payment on equity shares from the profits pertaining to the financial year ended March 31, 2020.

*For details:*

<https://www.rbi.org.in/Scripts/NotificationUser.aspx?Id=12003&Mode=0>

- **Introduction of Liquidity Adjustment Facility (LAF) and Marginal Standing Facility (MSF) for Regional Rural Banks (RRBs) (December 04, 2020)**

In order to provide an additional avenue for liquidity management to Regional Rural Banks (RRBs), it has been decided that Liquidity Adjustment Facility (LAF) and Marginal Standing Facility (MSF) will be extended to Scheduled RRBs meeting certain specific criteria as given in notification.

*For details :*

<https://www.rbi.org.in/Scripts/NotificationUser.aspx?Id=12004&Mode=0>

- **IRDAI clarifies on revision in health insurance premium : Check details (December 05, 2020)**

The Insurance Regulatory and Development Authority of India (IRDAI) has come out with a clarification on the way the revision in health insurance premium happens. As per the regulator, there are some reports in the media about hike in health insurance premium rates by general and health insurance companies. Some of the news items attributed the increase in health insurance premiums to certain recent regulatory initiatives taken by IRDAI.

*For details :*

<https://www.financialexpress.com/money/insurance/irdai-clarifies-on-revision-in-health-insurance-premium-check-details/2143945/>

- **Banks Face Rs. 12 lakh Crore Hit due to COVID -19 Pandemic (December 10, 2020)**

Indian banks are staring at a combined lost revenues and increased costs of `12 lakh crore by fiscal 2024 because of credit losses and operating challenges posed by the Covid-19 pandemic as per Annual Banking Review by consultancy firm McKinsey & Co.

*For details:*

[https://economictimes.indiatimes.com/markets/stocks/news/covid-19-impact-banks-face-12-lakh-cr-hit-on-lost-revenues-higher-costs-mckinsey/articleshow/79650774.cms?utm\\_source=contentofinterest&utm\\_medium=text&utm\\_campaign=cppst](https://economictimes.indiatimes.com/markets/stocks/news/covid-19-impact-banks-face-12-lakh-cr-hit-on-lost-revenues-higher-costs-mckinsey/articleshow/79650774.cms?utm_source=contentofinterest&utm_medium=text&utm_campaign=cppst)

- **Proposal of Standardised personal accident insurance cover by IRDAI (December 09, 2020)**

India's insurance regulator has floated draft guidelines for a standardized personal accident cover aimed at simplifying the product constraints for mass adoption, following similar moves to standardize both life and health insurance products in 2020. A 100% sum assured would be liable to victims of accidents that result in death or permanent disablement, as per the draft guidelines whereas partial disablements would have different predetermined caps for reimbursements. The policy period has been kept as one year. Stakeholders have been given time till December 18, 2020 to submit their feedback and suggest name for the product. The person whose suggested name is selected will be issued a certificate of appreciation by Chairman, IRDAI.

*For details:*

[https://economictimes.indiatimes.com/industry/banking/finance/insure/after-health-and-life-now-a-standardised-personal-accident-insurance-cover-in-the-work-by-irdai/articleshow/79645887.cms?utm\\_source=contentofinterest&utm\\_medium=text&utm\\_campaign=cppst](https://economictimes.indiatimes.com/industry/banking/finance/insure/after-health-and-life-now-a-standardised-personal-accident-insurance-cover-in-the-work-by-irdai/articleshow/79645887.cms?utm_source=contentofinterest&utm_medium=text&utm_campaign=cppst)  
[https://www.irdai.gov.in/ADMINCMS/cms/frmGeneral\\_Layout.aspx?page=PageNo4302](https://www.irdai.gov.in/ADMINCMS/cms/frmGeneral_Layout.aspx?page=PageNo4302)

- **DHFL Case : Latest Grant Thornton report flags fraudulent transactions of Rs. 1,058 crore (December 13, 2020)**

Crisis-ridden Non-Banking Finance Company DHFL on December 13, 2020 said fraudulent transactions of ₹ 1,058.32 crore by way of undervaluation, fraud and preferential treatment to certain entities have been detected by transaction auditor Grant Thornton (GT).

*For details:*

<https://www.financialexpress.com/industry/banking-finance/dhfl-case-latest-grant-thornton-report-flags-fraudulent-transactions-of-rs-1058-crore/2149331/>

- **Lenders to work out recast plan jointly with borrowers, says RBI (December 13, 2020)**

The Reserve Bank of India (RBI) has asked borrowers to make requests for resolution rather than working out resolution plans under the KV Kamath committee's resolution framework to tackle Covid-related stress. The resolution plan will be worked out jointly by the lenders in consultation with the borrowers. As per the RBI, borrowers do not require any resolution plan in any form to be submitted to the lending institutions at the time of request for invocation.

*For details:*

<https://indianexpress.com/article/business/banking-and-finance/lenders-to-work-out-recast-plan-jointly-with-borrowers-says-rbi-7102604/>

- **Opening of Current Accounts by Banks - Need for Discipline (December 14, 2020)**

It has been decided by RBI to permit banks to open specific accounts which are stipulated under various statutes and instructions of other regulators/ regulatory departments, without any restrictions placed in terms of the above-mentioned circular dated August 6, 2020. An indicative list of such accounts is as given below:

- i. Accounts for real estate projects mandated under Section 4 (2) I (D) of the Real Estate (Regulation and Development) Act, 2016 for the purpose of maintaining 70% of advance payments collected from the home buyers.
- ii. Nodal or escrow accounts of payment aggregators/prepaid payment instrument issuers for specific activities as permitted by Department of Payments and Settlement Systems (DPSS), Reserve Bank of India under Payment and Settlement Systems Act, 2007.
- iii. Accounts for settlement of dues related to debit card/ATM card/credit card issuers/acquirers.
- iv. Accounts permitted under FEMA, 1999.

*For details:*

<https://www.rbi.org.in/Scripts/NotificationUser.aspx?Id=12007&Mode=0>

- **Amendment to Master Direction (MD) on KYC - Centralized KYC Registry (CKYCR) - Roll out of Legal Entity Template & other changes (December 18, 2020)**

Where a customer, for the purpose of establishing an account based relationship, submits a KYC Identifier to a Regulated Entities (RE), with an explicit consent to download records from CKYCR, then such RE shall retrieve the KYC records online from CKYCR using the KYC Identifier and the customer shall not be required to submit the same KYC records or information or any other additional identification documents or details, unless there is a change in the information of the customer as existing in the records of CKYCR, the current address of the customer is required to be verified, the RE considers it necessary in order to verify the identity or address of the customer, or to perform enhanced due diligence or to build an appropriate risk profile of the client.

*For details*

<https://www.rbi.org.in/Scripts/NotificationUser.aspx?Id=12008&Mode=0>

- **P&SB recapitalisation: Centre issues ₹5,500 crore worth of zero-coupon bonds (December 23, 2020)**

The Centre, in a first move of its kind, has issued ₹ 5,500 crore in zero-coupon bonds for recapitalising Punjab and Sind Bank (P&SB) and allowed it to park the paper in its held-to-maturity (HTM) category at face value rather than the discounted market rate. Zero-coupon bonds do not bear any interest and are traded at a discount to the face value.

*For details:*

[https://www.business-standard.com/article/finance/p-sb-recapitalisation-centre-issues-rs-5-500-cr-worth-of-zero-coupon-bonds-120122300050\\_1.html](https://www.business-standard.com/article/finance/p-sb-recapitalisation-centre-issues-rs-5-500-cr-worth-of-zero-coupon-bonds-120122300050_1.html)

- **RBI Governor Shaktikanta Das ask banks to strengthen lending capacity by raising capital (December 24, 2020)**

The governor of the Reserve Bank of India (RBI) held meetings with the chiefs of public sector banks and some private banks on Tuesday and Wednesday, respectively, through video conference. At the meetings, governor Shaktikanta Das asked banks to strengthen their capital and provisioning positions, as also their ability to lend and contribute to financial stability.

*For details:*

<https://www.financialexpress.com/industry/banking-finance/rbi-guv-ask-banks-to-strengthen-lending-capacity-by-raising-capital/2156310/>

- **RBI : Banks' asset quality can deteriorate (January 03, 2021)**

The Reserve Bank of India's Report on Trend and Progress of Banking in India in 2019-20 has cautioned that the asset quality of the banking system may deteriorate sharply, going forward, due to uncertainty induced by Covid-19 and its real economic impact. Gross non-performing assets ratio was at 7.5 per cent at end September 2020, which the report said veils the strong undercurrent of slippage.

*For details:*

<https://www.thehindubusinessline.com/money-and-banking/rbi-banks-asset-quality-can-deteriorate/article33487982.ece>

- **Operationalisation of Payments Infrastructure Development Fund (PIDF) Scheme (January 05, 2021)**

The creation of Payments Infrastructure Development Fund (PIDF) was announced on June 05, 2020 with the intention to subsidise deployment of payment acceptance infrastructure in Tier-3 to Tier-6 centres with special focus on North-Eastern States of the country. It envisages creating 30 lakh new touch points every year for digital payments. An Advisory Council (AC), under the Chairmanship of the Deputy Governor, RBI, has been constituted for managing the PIDF will be operational for a period of three years from January 01, 2021 and may be extended for two more years depending upon the progress. PIDF presently has a corpus of ₹345 crore (₹250 crore contributed by RBI and ₹95 crore by the major authorised card networks in the country).

*For details:*

<https://www.rbi.org.in/Scripts/NotificationUser.aspx?Id=12009&Mode=0>

- **Introduction of Legal Entity Identifier for Large Value Transactions in Centralised Payment Systems (January 05, 2021)**

The Legal Entity Identifier (LEI) is a 20-digit number used to uniquely identify parties to financial transactions worldwide. It was conceived as a key measure to improve the quality and accuracy of financial data systems for better risk management post the Global Financial Crisis. LEI has been introduced by the Reserve Bank in a phased manner for participants in the over the counter (OTC) derivative and non-derivative markets as also for large corporate borrowers. It has now been decided to introduce the LEI system for all payment transactions of value ₹50 crore and above undertaken by entities (non-individuals) using Reserve Bank-run Centralised Payment Systems viz. Real Time Gross Settlement (RTGS) and National Electronic Funds Transfer (NEFT).

*For details:*

<https://www.rbi.org.in/Scripts/NotificationUser.aspx?Id=12010&Mode=0>

- **IRDAI set to introduce standard products for fire, allied peril risks (January 05, 2021)**

The Insurance Regulatory and Development Authority of India (IRDAI) has decided to introduce standard products covering the risk of fire and allied perils.

General insurers that offer fire and allied perils policies have to mandatorily introduce the same from April 1, 2021, replacing the Standard Fire and Special Perils (SFSP) policy – provided for in the erstwhile All India Fire Tariff (AIFT) 2001.

*For details:*

[https://www.business-standard.com/article/economy-policy/irdai-set-to-introduce-standard-products-for-fire-allied-peril-risks-121010501491\\_1.html](https://www.business-standard.com/article/economy-policy/irdai-set-to-introduce-standard-products-for-fire-allied-peril-risks-121010501491_1.html)

- **College of Supervisors (CoS) (January 06, 2021)**

As part of the measures to further strengthen Supervision over regulated entities, Reserve Bank had set up a College of Supervisors (CoS) to augment and reinforce supervisory skills among its regulatory and supervisory staff both at entry level and on a continuous basis. This was done to facilitate the development of unified and focused supervision by providing training and other developmental inputs to the concerned staff.

*For details:*

[https://www.rbi.org.in/Scripts/BS\\_PressReleaseDisplay.aspx?prid=50924](https://www.rbi.org.in/Scripts/BS_PressReleaseDisplay.aspx?prid=50924)

- **Dubai's Mashreqbank plans to move nearly half its jobs to cheaper hubs like India (January 06, 2021)**

Mashreqbank PSC, Dubai's third-biggest lender, plans to move nearly half of its employees to cheaper locations and allow some others to work from home as part of a dramatic reorganization that will spare its Emirati staff.

*For details:*

<https://www.livemint.com/industry/banking/dubais-mashreqbank-plans-to-move-nearly-half-its-jobs-to-cheaper-hubs-like-india-11609922629776.html>

- **Private lenders report healthy loan growth in Q3 (January 07, 2021)**

Private lenders have reported a sequential improvement in the net advances during the December quarter, according to provisional data released by the banks. While the largest private lender HDFC Bank has shown a 3% growth in the loan book, IndusInd Bank and IDFC First Bank reported over 3% quarter-on-quarter (q-o-q) growth in the advances. Similarly, Yes Bank has shown a 1.3% increase in the net advances during the quarter compared to the September quarter.

*For details:*

<https://www.financialexpress.com/industry/banking-finance/private-lenders-report-healthy-loan-growth-in-q3/2165829/>

- **Risk Based Internal Audit (RBIA) Framework - Strengthening Governance arrangements (January 07, 2021)**

In terms of the Guidance Note on Risk-Based Internal Audit issued by RBI, banks, inter alia, are required to put in place a Risk Based Internal Audit (RBIA) system as part of their internal control framework that relies on a well-defined policy for internal audit, functional independence with sufficient standing and authority within the bank, effective channels of communication, adequate audit resources with sufficient professional competence, among others.

*For details:*

<https://www.rbi.org.in/Scripts/NotificationUser.aspx?Id=12011&Mode=0>

- **SBI raises \$600 million from overseas bond sale at 1.80% coupon (January 07, 2021)**

The nation's largest lender State Bank of India (SBI) on Thursday raised USD 600 million from selling bonds to international investors at a coupon of 1.80 per cent. The 5.5-year issue denominated in US dollars was priced at 140 basis points (bps) over the US treasury, the bank said in a release adding this is the lowest pricing for any Reg S/144a issue from the country with such a maturity.

*For details:*

<https://indianexpress.com/article/business/banking-and-finance/state-bank-of-india-sbi-raises-usd-600-million-from-overseas-bond-sale-at-1-80-per-cent-coupon-7137072/>

- **NPA classification period likely to get 30-day extension as bad loans mount (January 11, 2021)**

The Centre is in talks with the Reserve Bank of India (RBI) and other stakeholders to consider the possibility of easing the norms for non-performing assets (NPAs), or bad loans, by extending the classification period to at least 120 days. At present, a loan account turns into an NPA if it is not serviced for 90 days.

*For details:*

[https://www.business-standard.com/article/finance/npa-classification-period-likely-to-get-30-day-extension-as-bad-loans-mount-121011100018\\_1.html#:~:text=The%20Centre%20is%20in%20talks,not%20serviced%20for%2090%20days.](https://www.business-standard.com/article/finance/npa-classification-period-likely-to-get-30-day-extension-as-bad-loans-mount-121011100018_1.html#:~:text=The%20Centre%20is%20in%20talks,not%20serviced%20for%2090%20days.)

- **Life insurance sector's new business premium declines 3% in December (January 10, 2021)**

The new business premium of life insurance industry contracted by 3 per cent year-on-year to ₹24,383.42 crore in December. The new business or the first-year premium of 24 life insurance companies was ₹25,079.89 crore in the same month of 2019.

*For details:*

<https://www.financialexpress.com/money/insurance/life-insurance-sectors-new-business-premium-declines-3-in-december/2168149/>

- **RBI releases the Financial Stability Report, January 2021 (January 11, 2021)**

The Reserve Bank released the 22nd issue of the Financial Stability Report (FSR), which reflects the collective assessment of the Sub-Committee of the Financial Stability and Development Council (FSDC) on risks to financial stability, and the resilience of the financial system in the context of contemporaneous issues relating to development and regulation of the financial sector. The release of FSR was rescheduled to incorporate the first advance estimates of national income for 2020-21 that were released by the National Statistical Office on January 7, 2021.

*For details:*

[https://www.rbi.org.in/Scripts/BS\\_PressReleaseDisplay.aspx?prid=50949](https://www.rbi.org.in/Scripts/BS_PressReleaseDisplay.aspx?prid=50949)

- **Reserve Bank constitutes a Working Group on digital lending including lending through online platforms and mobile apps (January 13, 2021)**

Recent spurt and popularity of online lending platforms/ mobile lending apps ('digital lending') has raised certain serious concerns which have wider systemic implications. Against this backdrop, a Working Group (WG) is being set up to study all aspects of digital lending activities in the regulated financial sector as well as by unregulated players so that an appropriate regulatory approach can be put in place.

*For details:*

[https://www.rbi.org.in/Scripts/BS\\_PressReleaseDisplay.aspx?prid=50961](https://www.rbi.org.in/Scripts/BS_PressReleaseDisplay.aspx?prid=50961)

- **26th Meeting of the FSDC Sub-Committee over Video Conference (January 13, 2021)**

A meeting of the Sub-Committee of the Financial Stability and Development Council (FSDC) was held on January 13, 2021 in Mumbai through video conference. The Sub-Committee reviewed the major developments in the global and domestic economy as well as financial markets that impact financial stability. The Sub-Committee, inter-alia, discussed scope for improvements in insolvency resolution under IBC, utilization of data with the Central KYC Records Registry and changes in the regulatory framework relating to Alternative Investment Funds (AIFs) set up in the International Financial Services Centre (IFSC), among others. The Sub-Committee also reviewed the activities of various technical groups under its purview and the functioning of State Level Coordination Committees (SLCCs) in various states / UTs. The regulators reaffirmed their resolve to be alert and watchful of emerging challenges to financial stability.

*For details*

[https://www.rbi.org.in/Scripts/BS\\_PressReleaseDisplay.aspx?prid=50963](https://www.rbi.org.in/Scripts/BS_PressReleaseDisplay.aspx?prid=50963)

- **Jan Dhan accounts cross 41 crore : Finance Ministry**

The Finance Ministry on January 19, 2020 said that more than 41 crore people benefited from the Pradhan Mantri Jan Dhan Yojana (PMJDY), a flagship scheme of the government to promote financial inclusion.

*For details:*

<https://www.financialexpress.com/industry/banking-finance/jan-dhan-accounts-cross-41-crore-finance-ministry/2174434/>

- **‘Too big to fail’ list : SBI, ICICI Bank, HDFC Bank remain**

The Reserve Bank of India (RBI) has retained State Bank of India, ICICI Bank and HDFC Bank as Domestic Systemically Important Banks (D-SIBs) or banks that are considered as “too big to fail”.

The D-SIB framework requires the Reserve Bank to disclose the names of banks designated as D-SIBs starting from 2015 and place these banks in appropriate buckets depending upon their Systemic Importance Scores (SISs). “Based on the bucket in which a D-SIB is placed, an additional common equity requirement has to be applied to it,” the RBI said.

*For details:*

<https://indianexpress.com/article/business/banking-and-finance/too-big-to-fail-list-sbi-icici-bank-hdfc-bank-remain-7153597/>

- **Report of the Working Group (WG) to Study Cyber Liability Insurance (January 20, 2021)**

A Working Group was set up by the Insurance Regulatory and Development Authority of India (IRDAI) on October 19, 2020 to Study Cyber Liability Insurance. The Working Group has submitted various recommendations in its report which has two parts : Part-I and Part-II. IRDAI has placed the report of the Working Group and seek the valuable inputs of all stakeholders on the recommendations made in the report for feedback in a prescribed format on or before February 09, 2021.

*For details:*

[https://www.irdai.gov.in/ADMINCMS/cms/whatsNew\\_Layout.aspx?page=PageNo4348&flag=1](https://www.irdai.gov.in/ADMINCMS/cms/whatsNew_Layout.aspx?page=PageNo4348&flag=1)

- **RBI discussion paper proposes tighter rules for big NBFCs (January 22, 2021)**

The objective of this discussion paper is to revisit the broad principles which underpin the current regulatory framework and examine the need to develop a scale-based approach to regulation from a 'systemic significance' vantage point and recommend appropriate regulatory measures in support of a strong and resilient financial system. The primary focus of the discussion paper is examination of the principles and processes for identification of NBFCs that have significant systemic risk spill-overs and development of a conceptual framework on which regulations could be based.

The following are the Governance requirements which are proposed to be made applicable to NBFC-ML, as per point no. 4.3.3.5 :

- (i) Compliance certificates by Chief Executive Officer and Chief Financial Officer covering various aspects including financial statements, absence of fraudulent/ illegal transactions, submissions to auditors, etc.
- (ii) Requirements for Secretarial Audit
- (iii) Obligations of independent directors, senior management, key management personnel, directors and promoters
- (iv) Limits on directorships/ membership of committees of listed entities
- (v) Role of various committees (Audit Committee, Nomination and Remuneration Committee, Stakeholder's relationship, Risk Management) and review of information by Audit Committee
- (vi) Vigil mechanism and requirements pertaining to related party transactions
- (vii) Corporate Governance requirements for subsidiaries of listed entities.

*For details:*

<https://rbidocs.rbi.org.in/rdocs/publications/pdfs/dp220121630d1f9a2a51415b98d92b8cf4a54185.pdf>

- **RBI Working Paper No.03/2021: Monetary Policy Transparency and Anchoring of Inflation Expectations in India (January 25, 2021)**

The Reserve Bank of India placed on its website a Working Paper titled "Monetary Policy Transparency and Anchoring of Inflation Expectations in India" under the Reserve Bank of India Working Paper Series. This paper constructs an index of monetary policy transparency for India and examines the role of transparency in anchoring inflation expectations. Empirical results show that the degree of policy transparency has indeed increased substantially since the adoption of Flexible Inflation Targeting (FIT) in 2016.

*For details :*

[https://www.rbi.org.in/Scripts/BS\\_PressReleaseDisplay.aspx?prid=51023](https://www.rbi.org.in/Scripts/BS_PressReleaseDisplay.aspx?prid=51023)

- **No withdrawal of old series of ₹100, ₹10 and ₹5 banknotes from circulation: RBI (January 25, 2021)**

The RBI has put out a tweet from its official Twitter handle stating that "With regard to reports in certain sections of media on withdrawal of old series of ₹100, ₹10 & ₹5 banknotes from circulation in near future, it is clarified that such reports are incorrect."

*For details:*

<https://www.livemint.com/industry/banking/no-withdrawal-of-old-series-of-rs100-rs10-and-rs5-banknotes-from-circulation-rbi-11611568758731.html>

- **Banks review services policy for WhatsApp (January 26, 2021)**

Banks, which were looking to integrate WhatsApp as a key channel for customers to transact on, are reviewing their policies in respect of the use of the messaging platform. This comes after general concerns among the public that have arisen over Facebook sharing user data among its group companies.

*For details :*

<https://economictimes.indiatimes.com/industry/banking/finance/banking/banks-review-services-policy-for-whatsapp/articleshow/80462041.cms>

- **Invest Lumpsum for Lifetime Pension - Standard annuity plan to be launched soon! (January 27, 2021)**

IRDAI has asked all life insurance companies to offer Standard Individual Immediate Annuity Product, 'Saral Pension' with effect from 1st April 2021. The regulator has released the guidelines on Standard Individual Immediate Annuity Product, 'Saral Pension' by defining the benefits, features, terms and conditions and annuity options.

*For details:*

<https://www.financialexpress.com/money/insurance/invest-lumpsum-for-lifetime-pension-standard-annuity-plan-to-be-launched-soon/2179586/>

[https://www.irdai.gov.in/ADMINCMS/cms/whatsNew\\_Layout.aspx?page=PageNo4353&flag=1](https://www.irdai.gov.in/ADMINCMS/cms/whatsNew_Layout.aspx?page=PageNo4353&flag=1)

- **Strengthening of Grievance Redress Mechanism in Banks (January 27, 2021)**

Reserve Bank of India has taken various initiatives over the years for improving customer service and grievance redress mechanism in banks. Detailed guidelines on customer service were issued to banks encompassing various aspects of operations that impact customers. To strengthen the customer grievance redress mechanism in banks, it has been decided to put in place a comprehensive framework comprising of, inter-alia, enhanced disclosures by banks on customer complaints, recovery of cost of redress from banks for the maintainable complaints received against them in Offices of Banking Ombudsman in excess of the peer group average, and undertaking intensive review of the grievance redress mechanism and supervisory action against banks that fail to improve their redress mechanism in a time bound manner.

*For details :*

<https://www.rbi.org.in/Scripts/NotificationUser.aspx?Id=12017&Mode=0>

- **Prudential Guidelines on Capital Adequacy and Market Discipline - New Capital Adequacy Framework (NCAF) - Eligible Credit Rating Agencies - CRISIL Ratings Limited (January 27, 2021)**

CRISIL Limited has been accredited for the purpose of risk weighting the banks' claims for capital adequacy purposes along with other credit rating agencies (CRAs) registered with Securities and Exchange Board of India (SEBI). The rating business of CRISIL Limited has since been transferred to CRISIL Ratings Limited, a wholly owned subsidiary of CRISIL Limited in compliance with SEBI's notification dated September 11, 2018 read with SEBI's circular dated September 19, 2018. Banks may therefore, use the ratings of the CRISIL Ratings Limited for the purpose of risk weighting their claims for capital adequacy purposes. The rating-risk weight mapping for the long term and short-term ratings assigned by CRISIL Ratings Limited will be the same as was in the case of CRISIL Limited and there is no change in the rating symbols earlier assigned by CRISIL Limited.

*For details :*

<https://www.rbi.org.in/Scripts/NotificationUser.aspx?Id=12016&Mode=0>

- **Swaminathan Janakiraman & Aswini Kumar Tewari appointed SBI MDs (January 27, 2021)**

The appointments committee (ACC) of the Cabinet on January 27, 2021 cleared the names of two officials—Swaminathan Janakiraman and Ashwini Kumar Tewari as new Managing Directors of State Bank of India (SBI). The appointments are for a period of three years. Swaminathan Janakiraman is currently deputy Managing Director (Finance) at country's largest lender. Ashwini Kumar Tewari is presently serving as Managing Director and Chief Executive of SBI Card, a subsidiary of SBI.

*For details:*

<https://www.livemint.com/industry/banking/swaminathan-janakiraman-aswini-kumar-tewari-appointed-sbi-mds-11611742820559.html>

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# Ministry of Environment, Forest & Climate Change

## Info Capsule Series 5

- **Environment (Protection) Third Amendment Rules, 2020 (December 03, 2020)**

In exercise of the powers conferred by sections 6 and 25 of the Environment (Protection) Act, 1986, the Central Government issued the Environment (Protection) Third Amendment Rules, 2020. According to the Environment (Protection) Third Amendment Rules, 2020, in Rule 5 (3), for the proviso in clause (d) of the Environment (Protection) Rules, 1986,, the following shall be substituted, namely:-

**“Provided that for the purpose of this clause, the validity of notification or rule or order expiring in the Financial Year 2020-2021 shall stand extended upto 30th June, 2021 on account of COVID-19 pandemic.”.**

*For details:*

<http://www.egazette.nic.in/WriteReadData/2020/223458.pdf>

- **The MCA notified Special Courts under Section 435 of the Companies Act, 2013 (November 27, 2020)**

The MCA has designated various courts as Special Courts in the States of Maharashtra, West Bengal and Tamil Nadu for the purposes of trial of offences under the Companies Act, 2013, in respect of cases filed by the Securities and Exchange Board of India.

*For details:*

[http://www.mca.gov.in/Ministry/pdf/NotificationCompAct\\_01122020.pdf](http://www.mca.gov.in/Ministry/pdf/NotificationCompAct_01122020.pdf)

- **MCA News**

MCA portal will not be available between 8:00AM to 6:00PM on December 12, 2020 due to a planned maintenance activity. Stakeholders may plan accordingly.

*For details:*

<http://www.mca.gov.in/MinistryV2/homepage.html>

- **The Companies (Compromises, Arrangements and Amalgamations) Second Amendment Rules, 2020 (December 17, 2020)**

The MCA on December 17, 2020 has notified the Companies (Compromises, Arrangements and Amalgamations) Second Amendment Rules, 2020. The amendment seeks to insert the new definition for the term “corporate action”, which means any action taken by the company relating to transfer of shares and all the benefits accruing on such shares namely, bonus shares, split, consolidation, fraction shares and right issue to the acquirer”.

Further, a new Rule 26A has been inserted w.r.t. the purchase of minority shareholding held in demat form.

*For details:*

<http://www.egazette.nic.in/WriteReadData/2020/223774.pdf>

- **MCA has deferred CARO 2020 applicability (December 17, 2020)**

The MCA has further deferred the applicability of the Companies (Auditor’s Report) Order (CARO) 2020, by one year i.e. till April 01, 2021.

*For details:*

<http://www.egazette.nic.in/WriteReadData/2020/223784.pdf>

- **The Companies (Appointment and Qualification of Directors) Fifth Amendment Rules, 2020 (December 18, 2020)**

With this Amendment, MCA has given relief in the time period to pass the online proficiency exam. Now, an individual shall pass the online proficiency self-assessment test within a period of two years (instead of earlier 1 year) from the date of inclusion of his name in the database with only 50% as pass percentage.

Further, MCA has also expanded the eligibility criteria for exemption from taking the online proficiency self-assessment test and eased the experience criteria for an individual who has served as a director or KMP, for a total period of not less than 3 years (earlier 10 years), as on the date of inclusion of his name in the databank in certain public Companies/Body corporates or holding a Designation in organizations specified by the Central Government.

*For details:*

<http://www.egazette.nic.in/WriteReadData/2020/223776.pdf>

- **MCA has notified December 21, 2020 as commencement date for various sections of the Companies (Amendment) Act, 2020**

*For details:*

<http://www.egazette.nic.in/WriteReadData/2020/223873.pdf>

- **The Companies (Share Capital and Debentures) Second Amendment Rules, 2020 (December 24, 2020)**

The MCA notified the Companies (Share Capital and Debentures) Second Amendment Rules, 2020 to amend Form No. SH-7 which pertains to the notice to the Registrar of any alteration of share capital.

*For details:*

[http://www.mca.gov.in/Ministry/pdf/SecondAmdtRules\\_24122020.pdf](http://www.mca.gov.in/Ministry/pdf/SecondAmdtRules_24122020.pdf)

- **The Companies (Incorporation) Third Amendment Rules, 2020 (December 24, 2020)**

The MCA vide Companies (Incorporation) Third Amendment Rules, 2020 has inserted new Rule 9A for the extension of reservation of name in certain cases. Under this rule Registrar is empowered to extend the period of a name reserved under rule 9 by using web service SPICe+ upto 60 days on payment of Fees.

*For details:*

[http://www.mca.gov.in/Ministry/pdf/ThirdAmdtRules\\_24122020.pdf](http://www.mca.gov.in/Ministry/pdf/ThirdAmdtRules_24122020.pdf)

- **MCA notified further extension of relaxation for holding Board Meeting through Video-Conferencing for restricted matters upto June 30, 2021 (December 30, 2020)**

MCA vide notification dated December 30, 2020 issued the Companies (Meetings of Board and its Powers) Fourth Amendment Rules, 2020 to provide further relaxation in the requirement of holding Board meetings with physical presence of directors under Section 173(2) r/w Rule 4 of the Companies (Meetings of Board and its Powers) Rules, 2014, for approval of the restricted matters.

Accordingly, **upto June 30, 2021**, the Board meetings on approval of restricted matters may be held through video conferencing or other audio visual means in accordance with Rule 3 of the Companies (Meetings of Board and its Powers) Rules, 2014.

*For details:*

[http://www.mca.gov.in/Ministry/pdf/FourthAmdtRules\\_30122020.pdf](http://www.mca.gov.in/Ministry/pdf/FourthAmdtRules_30122020.pdf)

- **Clarification on passing of ordinary and special resolutions by companies under the Companies Act, 2013 read with rules made thereunder on account of COVID-19- Extension of time. (December 31, 2020)**

MCA in view of the continued disruption caused due to COVID-19 pandemic and to provide greater ease of doing business has further allowed the companies to conduct their Extra Ordinary General meeting through Video-Conferencing or Other Audio visual means or to transact items through postal ballot in accordance with the specified framework provided earlier **upto June 30, 2021**.

*For details:*

[http://www.mca.gov.in/Ministry/pdf/GeneralCircularNo.39\\_31122020.pdf](http://www.mca.gov.in/Ministry/pdf/GeneralCircularNo.39_31122020.pdf)

## MCA Update

- Stakeholders may please note that there is no change in the additional fee logic of e-form MGT-7 and AoC-4/AOC-4 XBRL/AOC-4 CFS/AOC-4 NBFC for the FY 2019-20 w.e.f. January 01, 2021 since extension was provided to all the companies for conducting AGM and not for filing the form.

Hence, the due date of form filing shall be computed based on the actual date of AGM or due date/extended due date of AGM as the case may be. Post December 31, 2020, additional fee shall be applicable from the actual date of AGM or due date/extended due date of AGM + 30/60 days as the case may be and Rs.100 per day shall be charged starting from such day even if such date falls prior to December 31, 2020.

*For details:*

<http://www.mca.gov.in/MinistryV2/homepage.html>

- Stakeholders may please note that the Field 'SRN of the application filed for extension' (GNL-1) in e-form MGT-7 is made optional for FY 2019-20 w.e.f January 01,2021 due to blanket extension provided for all companies to conduct AGM. Consequently, e-Form MGT-7 has been revised on MCA 21 Company Forms Download page w.e.f January 01, 2021. Stakeholders are advised to check the latest version before filing.

*For details:*

<http://www.mca.gov.in/MinistryV2/homepage.html>

- Please note that the last date for filing DIR-3 KYC for Financial year 2019-20 has expired on December 31, 2020. The process of deactivating the non-compliant DINs is in progress and will be completed shortly. Please note that web service DIR-3 KYC shall not be available for filing during the pendency of this activity. Filing of DIR-3 KYC can be made after completion of the scheduled activity, as above, when the service is made available on the portal after payment of applicable fees. Stakeholders may kindly note and plan accordingly.

*For details:*

<http://www.mca.gov.in/MinistryV2/homepage.html>

- **Clarification on spending of CSR funds for Awareness and public outreach on COVID-19 Vaccination programme (January 13, 2021)**

In continuation to MCA General Circular No. 10/2020 dated March 23, 2020 wherein it was clarified that spending of CSR funds for COVID19 is an eligible CSR activity, it is further clarified that spending of CSR funds for carrying out awareness campaigns/programmes or public outreach campaigns on COVID-19 Vaccination programme is an eligible CSR activity under item no. (i), (ii) and (xii) of Schedule VII of the Companies Act, 2013 relating to promotion of health care, including preventive health care and sanitization, promoting education, and, disaster management respectively.

The companies may undertake the aforesaid activities subject to fulfilment of Companies (CSR Policy) Rules, 2014 and the circulars related to CSR, issued by the MCA from time to time.

*For details:*

[http://www.mca.gov.in/Ministry/pdf/CSR2021\\_13012021.pdf](http://www.mca.gov.in/Ministry/pdf/CSR2021_13012021.pdf)

- **MCA update**

CFSS-2020 Form shall be available for filing as eForm w.e.f. January 16, 2021. Stakeholders may please take note and plan accordingly.

*For details:*

<http://www.mca.gov.in/MinistryV2/homepage.html>

- **Clarification on holding of annual general meeting (AGM) through video conferencing (VC) or other audio visual means (OAVM) (January 13, 2021)**

In continuation to General Circular No. 20/2020, dated May 05, 2020, MCA has decided to allow companies whose AGMs were due to be held in the year 2020, or become due in the year 2021, to conduct their AGMs on or before December 31, 2021, through video conferencing (VC) or other audio visual means (OAVM) as per the requirements provided in paragraphs 3 and 4 of the General Circular No. 20/2020.

It is further clarified, that this Circular shall not be construed as conferring any extension of time for holding of AGMs by the companies under the Companies Act, 2013, and the companies which have not adhered to the relevant timelines shall remain subject to legal action under the Companies Act, 2013.

*For details:*

[mca.gov.in/Ministry/pdf/GeneralCircularNo.02\\_14012021.pdf](http://www.mca.gov.in/Ministry/pdf/GeneralCircularNo.02_14012021.pdf)

- **Scheme for condonation of delay for companies restored on the Register of Companies between December 01, 2020 and December 31, 2020 u/s 252 of the Companies Act, 2013 (January 15, 2021)**

The MCA has introduced “the Scheme for condonation of delay for companies restored on the Register of Companies between December 01, 2020 and December 31, 2020 under section 252 of the Companies Act, 2013” for the purpose of condoning the delay in filing forms with the Registrar of Companies, insofar as it relates to charging of additional fees on account of delay in such filings. This scheme shall come into effect from **February 01, 2021**.

The Scheme shall be applicable in respect of companies in respect of whom the appeal filed under Section 252 of the Companies Act, 2013 with the respective NCLT Bench for the restoration of the name of the company was disposed of between December 1, 2020 to December 31, 2020, with an order for restoration of the company. The last date for filing of any overdue e-forms by such companies under the scheme shall be March 31, 2021. The Scheme shall be applicable in respect of filing of all e-forms except where any increase in authorized capital is involved (e-Form SH-7) and charge related documents (e-forms CHG-1, CHG-4, CHG-8 and CHG-9) which are required to be filed with the Registrar.

*For details:*

[http://www.mca.gov.in/Ministry/pdf/GeneralCircularNo.3\\_15012021.pdf](http://www.mca.gov.in/Ministry/pdf/GeneralCircularNo.3_15012021.pdf)

- **Report of the Company Law Committee on Decriminalization of the Limited Liability Partnership Act, 2008 (January 18, 2021)**

The MCA has placed on its website, the Report of the Company Law Committee on Decriminalization of the Limited Liability Partnership Act, 2008. This report is in pursuance and continuation of the policy of the Government of the India to decriminalize non-compliances of minor, technical or procedural nature of violations and facilitate and promote ease of doing business and ease of living for law abiding corporates in the country.

Further, public comments/ suggestions are hereby invited on the Report of the Company Law Committee on Decriminalization of the Limited Liability Partnership Act, 2008 latest by February 02, 2021 through email at email id: [llp.amendment@mca.gov.in](mailto:llp.amendment@mca.gov.in)

*For details:*

<http://www.mca.gov.in/Ministry/pdf/Report%20of%20the%20Company%20Law%20Committee%20on%20Decriminalization%20of%20The%20Limited%20Liability%20Partnership%20Act,%202008.pdf>

[http://www.mca.gov.in/Ministry/pdf/InvitationNotice\\_18012021.pdf](http://www.mca.gov.in/Ministry/pdf/InvitationNotice_18012021.pdf)

- **The MCA notified the commencement date for Section 21 of the Companies (Amendment) Act, 2019 (January 22, 2021)**

The MCA has appointed January 22, 2021 as the commencement date of section 21 of the Companies (Amendment) Act, 2019 which is related to the amendments in the Corporate Social Responsibility provisions under Section 135 of the Companies Act, 2013.

*For details:*

[http://www.mca.gov.in/Ministry/pdf/CommencementNotificationCAA\\_23012021.pdf](http://www.mca.gov.in/Ministry/pdf/CommencementNotificationCAA_23012021.pdf)

- **The MCA notified the commencement date for certain specified sections of the Companies (Amendment) Act, 2020 (January 22, 2021)**

The MCA has notified January 22, 2021 as the commencement date for certain specified sections of the Companies (Amendment) Act, 2020.

*For details:*

[http://www.mca.gov.in/Ministry/pdf/CommencementNotification\\_23012021.pdf](http://www.mca.gov.in/Ministry/pdf/CommencementNotification_23012021.pdf)

- **The Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021 (January 22, 2021)**

The MCA vide Notification dated January 22, 2021 has notified the Companies (Corporate Social Responsibility Policy) Amendment Rules, 2021 which has amended the CSR Rules, 2014 majorly w.r.t. Definitions, CSR Committees, CSR Implementation, CSR Expenditure, CSR Reporting. It also adds provisions for Display of CSR activities on Company's website and Transfer of unspent CSR amount.

*For details:*

[http://www.mca.gov.in/Ministry/pdf/CSRAmendmentRules\\_22012021.pdf](http://www.mca.gov.in/Ministry/pdf/CSRAmendmentRules_22012021.pdf)

- **New 'Extend' functionality shall be introduced as part of SPICe+ Part A in line with Rule 9A 'Extension of reservation of name in certain cases' of the Companies (Incorporation) Third Amendment Rules, 2020 with effect from 26th January 2021.**

Stakeholders may kindly note and plan accordingly.

*For details:*

[www.mca.gov.in](http://www.mca.gov.in)

- **The Companies (Incorporation) Amendment Rules, 2021 (January 25, 2021)**

The MCA vide Notification dated January 25, 2021 has issued the Companies (Incorporation) Amendment Rules, 2021 which amended Rule 41 of Companies (Incorporation) Rules, 2014 relating to Application under section 14 of the Companies Act, 2013 for conversion of public company into private company.

The notification specified that where an objection has been received or Regional Director on examining the application has specific objection under the provisions of the Act, the same shall be recorded in writing and the Regional Director shall hold a hearing or hearings within a period of 30 days as required and direct the company to file an affidavit to record the consensus reached at the hearing, upon executing which, the Regional Director shall pass an order either approving or rejecting the application along with the reasons within 30 days from the date of hearing.

In case where no consensus is received, the Regional Director may approve the conversion, if he is satisfied having regard to all the circumstances of the case, that the conversion would not be against the interests of the company or is not being made with a view to contravene or to avoid complying with the provisions of the Act, with reasons to be recorded in writing. However, the conversion shall not be allowed if any inquiry, inspection or investigation has been initiated against the company or any prosecution is pending against the company under the Companies Act, 2013.

*For details:*

[http://www.mca.gov.in/Ministry/pdf/CompaniesAmendmentRules\\_25012021.pdf](http://www.mca.gov.in/Ministry/pdf/CompaniesAmendmentRules_25012021.pdf)

- Relaxation on levy of additional fees in filing of e-forms AOC-4, AOC-4 (CFS), AOC-4 XBRL and AOC-4 Non-XBRL for the financial year ended on March 31, 2020 under the Companies Act, 2013 (January 28, 2021)

Keeping in view of various requests received from the stakeholders, the MCA has decided that no additional fees shall be levied upto **February 15, 2021** for the filing of e-forms AOC-4, AOC-4 (CFS), AOC-4 XBRL and AOC-4 Non-XBRL in respect of the financial year ended on March 31, 2020.

During the said period, only normal fees shall be payable for the filing of the aforementioned e-forms.

*For details:*

[http://www.mca.gov.in/Ministry/pdf/GeneralCircularNo.4\\_29012021.pdf](http://www.mca.gov.in/Ministry/pdf/GeneralCircularNo.4_29012021.pdf)

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# Business and Economic News

## Info Capsule Series 5

- **Inviting comments of stakeholders on The Draft Environmental and Social Assessment (ESSA) under a World Bank funded programme - “Raising and Accelerating MSME Productivity” (RAMP) (November 24, 2020)**

“Raising and Accelerating MSME Productivity” (RAMP) is a USD 500 million operation to support the Government of India on Raising the Productivity and Competitiveness of MSMEs in India with a counterpart funding of 500 million USD from Government of India. RAMP is an intervention designed on the basis of the UK Sinha led Reserve Bank of India’s Expert Committee report (June 2019), which recommended various regulatory, financial and implementation reforms as well as firm level access reforms to provide targeted interventions to MSMEs across recognized challenge areas. In addition to building the Ministry of MSME’s capacity at the national level, the RAMP program will seek to scale up implementation capacity and firm coverage in the states of Gujarat, Maharashtra, Punjab, Rajasthan and Tamil Nadu. The programme is now in an advanced stage of formulation and finalization. As part of the requirements of World Bank funding, a mandatory Environment and Social Assessment (ESSA) is required to be done to verify compliances to Environmental and Social standards by the last mile enterprises covered under the various programmes of the Ministry.

The draft ESSA accordingly prepared to invite comments and suggestions from all stakeholders. Any comments may kindly be given on or before November 30, 2020 to the following email: [rajeshwari\[dot\]kr\[at\]gov\[dot\]in](mailto:rajeshwari[kr[at]gov[dot]in)

*For details:*

<https://msme.gov.in/whatsnew/inviting-comments-stakeholders-draftenvironmental-and-social-assessment-essa-under-world>

- **IBBI Chief hints at development of ‘resolvability index’ for companies (December 01, 2020)**

India may in the coming days legally stipulate a minimum threshold of “resolvability” to prevent closure of viable companies and facilitate increased flow of credit to the companies, said insolvency regulator IBBI Chairman Shri MS Sahoo.

*For details:*

<https://www.thehindubusinessline.com/economy/policy/ibbi-chief-sahoo-hints-at-development-of-resolvability-index-for-companies/article33205841.ece>

- **UK becomes first country to authorize Pfizer/BioNTech's Covid-19 vaccine, first shots roll out next week (December 03, 2020)**

The United Kingdom has become the first Western nation to authorize a Covid-19 vaccine, a landmark moment in the coronavirus pandemic that paves the way for the first doses to be rolled out across the country next week.

*For details:*

<https://edition.cnn.com/2020/12/02/uk/pfizer-coronavirus-vaccine-uk-intl-hnk/index.html>

- **After e-commerce, CCI looks at pharma sector to unlock competition (December 03, 2020)**

The Competition Commission of India (CCI) has launched a study to identify and address anti-competitive practices in the pharmaceutical sector as the country grapples with the Covid-19 pandemic that has accelerated household spending on health care. Ashok Gupta, chairperson of the CCI, told Business Standard that identifying mechanisms that lock competition in the pharmaceutical markets and addressing them through proper instruments becomes all the more important during a pandemic.

*For details:*

[https://www.business-standard.com/article/economy-policy/after-e-commerce-cci-looks-at-pharma-sector-to-unlock-competition-120120300026\\_1.html](https://www.business-standard.com/article/economy-policy/after-e-commerce-cci-looks-at-pharma-sector-to-unlock-competition-120120300026_1.html)

- **SC direct Centre to install CCTV cameras in offices of CBI, ED, NIA, other probe agencies (December 02, 2020)**

The Supreme Court directed the Centre on Wednesday to install CCTV cameras and recording equipment at the offices of investigating agencies, including the CBI, the ED and National Investigation Agency (NIA), which conduct interrogations and have the power of arrest.

*For details:*

<https://indianexpress.com/article/india/sc-directs-centre-to-install-cctv-cameras-in-offices-of-cbi-ed-nia-other-probe-agencies-7077240/>

- **IEX becomes India's first regulated gas exchange (December 03, 2020)**

Indian Energy Exchange has secured the necessary authorization to operate as a Gas Exchange as per the provisions of the Petroleum and Natural Gas Regulatory Board (Gas Exchange) Regulations, 2020 for a period of 25 years.

*For details:*

[https://www.business-standard.com/article/news-cm/iex-becomes-india-s-first-regulated-gas-exchange-120120300201\\_1.html](https://www.business-standard.com/article/news-cm/iex-becomes-india-s-first-regulated-gas-exchange-120120300201_1.html)

- **Coffee Day Enterprises appoints Ms. Malavika Hegde, the founder's wife, as new CEO (December 07, 2020)**

Coffee Day Enterprises Ltd. has appointed Ms. Malavika Hegde, the wife of founder of Coffee Day Global Ltd and Amalgamated Bean Coffee Trading Co. Ltd, late V.G. Siddhartha, as the chief executive officer, the company said on Monday. Ms. Hegde was a non-executive director of the company, and is the younger daughter of S. M. Krishna, former central minister of external affairs and former Karnataka chief minister. The change in leadership comes at a time when the Bengaluru-based firm has seen a sharp decline in its fortunes and piling losses.

*For details:*

<https://www.livemint.com/companies/news/coffee-day-appoints-late-v-g-siddhartha-s-wife-malavika-hegde-as-ceo-11607344453962.html>

- **Videocon Group chief and co-accused within the ICICI Bank money laundering case Venugopal Dhoot admitted that his financial dealings with Deepak Kochhar's corporations have been "not genuine" (December 07, 2020)**

Videocon Group chief and co-accused within the ICICI Bank money laundering case Venugopal Dhoot admitted that his financial dealings with Deepak Kochhar's corporations have been "not genuine". In his assertion to the Enforcement Directorate (ED), Dhoot conceded that Rs. 64 crore had been transferred to Deepak Kochhar's NuPower Renewables (NRPL) via an online of entities to allegedly purchase wind farm properties. These contemporary submissions - part of the Prevention of Money Laundering Act (PMLA) court docket order of - December 1, 2020 quoted components of the ED's probe findings, alongside with testimonies and statements recorded within the matter. The court docket order stated it was clear that the mortgage disbursed by ICICI Bank to Videocon International Electronics (VIEL) on September 2009 had not been utilised for the expressed function.

*For details:*

<https://newschant.com/business/dhoot-admits-not-genuine-financial-deals-with-kochhars-says-ed/>

- **New Wage Rule may raise India Inc costs from April (December 08, 2020)**

From April 2021, salary slips, provident fund (PF) and gratuity parts, take-home pay and even stability sheets of India Inc might be impacted, due to the federal government's new compensation guidelines, that are a part of the Code on Wages handed by Parliament final year.

*For details:*

<https://www.pehalnews.in/new-wage-rule-may-raise-india-inc-costs-from-april/349090/>

- **Hopes of Tata-Mistry truce fade over valuation mismatch (December 08, 2020)**

A \$13-billion difference in valuation of 18.4% stake in Tata Sons has dimmed hopes of potential truce between the Tata Group and the Mistry family, the single largest shareholder in the Tata Group holding company. Tata Sons, which has challenged the Mistry family's move to pledge or sell the minority stake, said that aforesaid stake would be worth ₹80,000 crore, less than half of what has been claimed by the Mistry family. Appearing for the Tatas, senior counsel Harish Salve told the Apex Court bench headed by Chief Justice S. A. Bobde that while Mistry's family has claimed a valuation of over ₹1.75 lakh crore of its shareholding in Tata Sons, Tata Group's own estimates are far lower.

*For details:*

<https://www.livemint.com/companies/news/hopes-of-tata-mistry-truce-fade-over-valuation-mismatch-11607440695693.html>

- **Covid-19 vaccine: First person receives Pfizer jab in UK (December 08, 2020)**

A UK grandmother has become the first person in the world to be given the Pfizer Covid-19 jab as part of a mass vaccination programme.

Margaret Keenan, who turns 91 next week, said the injection she received at 06:31 GMT was the "best early birthday present".

*For details:*

<https://www.bbc.com/news/uk-55227325>

- **Atmanirbhar Bharat Rojgar Yojana (ABRY) (December 09, 2020)**

The Union Cabinet on December 09, 2020 has given its approval for Atmanirbhar Bharat Rojgar Yojana (ABRY) to boost employment in formal sector and incentivize creation of new employment opportunities during the Covid recovery phase under Atmanirbhar Bharat Package 3.0. Cabinet has approved an expenditure of Rs. 1,584 crore for the current financial year and Rs.22,810 crore for the entire Scheme period i.e. 2020-2023. The salient features of the Scheme are as under:

- i. Government of India will provide subsidy for two years in respect of new employees engaged on or after 1st October, 2020 and upto 30th June, 2021.
- ii. Government of India will pay both 12% employees' contribution and 12% employers' contribution i.e. 24% of wages towards EPF in respect of new employees in establishments employing upto 1000 employees for two years
- iii. Government of India will pay only employees' share of EPF contribution i.e. 12% of wages in respect of new employees in establishments employing more than 1000 employee for two years.
- iv. An employee drawing monthly wage of less than Rs. 15000/- who was not working in any establishment registered with the Employees' Provident Fund Organisation (EPFO) before 1st October, 2020 and did not have a Universal Account Number or EPF Member account number prior to 1<sup>st</sup> October, 2020 will be eligible for the benefit.
- v. Any EPF member possessing Universal Account Number (UAN) drawing monthly wage of less than Rs. 15000/- who made exit from employment during Covid pandemic from 01.03.2020 to 30.09.2020 and did not join employment in any EPF covered establishment up to 30.09.2020 will also be eligible to avail benefit.

- vi. EPFO will credit the contribution in Aadhaar seeded account of members in electronic manner.
- vii. EPFO shall develop a software for the scheme and also develop a procedure which is transparent and accountable at their end.
- viii. EPFO shall work out modality to ensure that there is no overlapping of benefits provided under ABRY with any other scheme implemented by EPFO.

*For details:*

<https://www.pib.gov.in/PressReleasePage.aspx?PRID=1679336>

- **Cabinet approves setting up of public WiFi networks under 'PM-WANI' (December 9, 2020)**

In a bid to improve wireless connectivity, the Union Cabinet on Wednesday approved setting up of public WiFi networks across the country. The WiFi will be provided through public data offices (PDOs) for which there will be no licence, registration or any other fees, Telecom Minister Ravi Shankar Prasad said, adding that the public WiFi was being rolled out as part of the Prime Minister WiFi Access Network Interface (PM- WANI).

*For details:*

<https://indianexpress.com/article/india/cabinet-approves-setting-up-of-public-wifi-networks-pm-wani-7098010/>

- **Draft E-Comm Policy : Govt considers New Probe Body, Data Audits (December 09, 2020)**

The government is in process of developing regulations which inter alia includes for use of personal and non-personal data, privacy and national security and setting up of an investigation body for inquiring into the violations of various laws by e-governance entities.

The draft policy proposes safeguards including restricting cross-border flow of the data and Audit of Storage Locations of the entities by Indian Firms. The draft policy also makes it clear that payments made through token/gift/voucher systems, on any e-commerce platform must go through regulated channels and also highlights that "Consumers have a right to receive full information about the product, its content, country of origin and value addition made in India. The government seeks to ensure a level-playing field for all e-commerce players by curbing the influence of "monopolistic tendencies". In order to ensure that e-Commerce is not used to defraud customers, registration with an authority identified by government shall be mandatory.

*For details:*

<https://www.financialexpress.com/economy/draft-e-commerce-policy-govt-mulls-new-probe-body-data-audits/2145985/>

- **Tata rejects Mistry's share-swap exit plan (December 11, 2020)**

The Tata group spurned the Mistry family's offer to swap its stake in Tata Sons Ltd for shares in the group's listed companies, terming the separation plan as nonsense. The cash-strapped Shapoorji Pallonji (SP) Group offered to swap its 18.4% stake in Tata Sons for shares in publicly traded companies of the Tata group, including Tata Consultancy Services Ltd, and cash.

*For details:*

<https://www.livemint.com/companies/news/tata-rejects-mistry-s-share-swap-exit-plan-11607647779477.html>

- **Walmart to triple Indian exports to \$10 billion by 2027 (December 11, 2020)**

US retailer Walmart said it will triple its exports of India-made goods to \$10 billion each year by 2027 up from \$3 billion at present. India is already one of the top sourcing hubs for Walmart, which is the world's biggest retailer by sales

*For details:*

<https://timesofindia.indiatimes.com/business/india-business/walmart-to-triple-indian-exports-to-10bn-by-2027/articleshow/79672258.cms>

- **Swiggy aims to bring 36,000 street vendors online with PM's AtmaNibhar Nidhi (December 10, 2020)**

Food delivery platform Swiggy announced the expansion of its street food vendors programme to 125 cities under the Prime Minister Street Vendor's AtmaNibhar Nidhi (PM SVANidhi) Scheme.

*For details:*

<https://www.livemint.com/companies/news/swiggy-aims-to-bring-36-000-street-vendors-online-with-pm-s-atmanibhar-nidhi-11607588973178.html>

- **NFRA claims Deloitte was ineligible to audit IL&FS Fin Services (December 10, 2020)**

Audit regulator National Financial Reporting Authority (NFRA) has said that Deloitte Haskins and Sells LLP's appointment as statutory auditor of IL&FS Financial Services Ltd (IFIN) for FY18 was illegal for breaching the ban on hiring firms with direct or indirect business relationships for audit.

*For details:*

<https://www.livemint.com/news/india/nfra-claims-deloitte-was-wrongly-hired-for-ifin-s-fy18-audit-11607594930318.html>

- **United Spirits names Hina Nagarajan as MD and CEO (December 10, 2020)**

United Spirits Ltd (USL) named Ms. Hina Nagarajan as the company's managing director (MD) and chief executive officer (CEO) effective July 1, 2021. Ms. Nagarajan, an MBA from the Indian Institute of Management Ahmedabad, will succeed Anand Kripalu.

*For details:*

<https://www.livemint.com/companies/news/united-spirits-names-hina-nagarajan-as-next-md-and-ceo-11607600472144.html>

- **Legal titans Harish Salve and C.A. Sundaram clash in *Tata vs. Mistry battle* (December 13, 2020)**

The corporate war between Tata Group and the Mistry family has brought some of India's leading and most expensive advocates face to face in the Supreme Court. Backed by India's top legal firms, the Tatas have fielded senior advocates Harish Salve and Abhishek Manu Singhvi to argue on behalf of Tata Sons, while the Mistris have fielded another veteran, C. Aryama Sundaram on their behalf.

*For details:*

[https://www.business-standard.com/article/companies/legal-titans-harish-salve-and-c-a-sundaram-clash-in-tata-vs-mistry-battle-120121300358\\_1.html](https://www.business-standard.com/article/companies/legal-titans-harish-salve-and-c-a-sundaram-clash-in-tata-vs-mistry-battle-120121300358_1.html)

- **Walmart's Asia CEO steps down (December 13, 2020)**

Walmart's CEO for the Asia area - Dirk Van den Berghe has given up, an individual within the know of the matter instructed ET. Berghe can be prone to step down from the board of Walmart-owned ecommerce market Flipkart.

*For details:*

[https://www.pehalnews.in/walmarts-asia-ceo-steps-down/371403/?utm\\_source=rss&utm\\_medium=rss&utm\\_campaign=walmarts-asia-ceo-steps-down](https://www.pehalnews.in/walmarts-asia-ceo-steps-down/371403/?utm_source=rss&utm_medium=rss&utm_campaign=walmarts-asia-ceo-steps-down)

- **Tatas bid for Air India, 67 years after exit (December 14, 2020)**

TATA Group, India's largest conglomerate, is believed to have submitted an expression of interest for the beleaguered national carrier Air India. It is learned that the vehicle used to file the interest in AI is Air Asia India, where TATA Sons has a significant majority stake.

*For details:*

<https://timesofindia.indiatimes.com/business/india-business/tatas-bid-for-air-india-67-years-after-exit/articleshow/79712441.cms#:~:text=NEW%20DELHI%2F%20MUMBAI%3A%20Tata%20Group,has%20a%20significant%20majority%20stake.>

- **Ola to set up world's largest scooter factory in Tamil Nadu (December 14, 2020)**

Ola on Monday announced that it has signed a Memorandum of Understanding (MoU) with the state government in Tamil Nadu to establish what would be the world's largest scooter factory with an annual capacity of two million units. To be built at a cost of `2,400 crore, the factory will help create around 10,000 jobs.

*For details:*

<https://auto.hindustantimes.com/auto/two-wheelers/ola-to-set-up-world-s-largest-scooter-factory-in-tamil-nadu-41607931356164.html>

- **Tata Sons must seek NCLT nod for conversion to pvt firm : Mistry to SC (December 16, 2020)**

Tata Sons, the holding company of the Tata group, must apply to the National Company Law Tribunal (NCLT) for conversion into a private company in accordance with the Companies Act of 2013, the Mistry family argued before the Supreme Court. "After the new Companies Act came into force, if a public company wants to become a private company then it must apply to the NCLT for reconversion to private company," CA Sundaram, counsel for the Mistry family, told the Apex court.

*For details:*

[https://www.business-standard.com/article/companies/tata-sons-must-seek-nclt-nod-for-conversion-to-pvt-firm-mistry-to-sc-120121500887\\_1.html](https://www.business-standard.com/article/companies/tata-sons-must-seek-nclt-nod-for-conversion-to-pvt-firm-mistry-to-sc-120121500887_1.html)

- **Infosys to prefer flexible 'hybrid' work model for employees in view of pandemic (December 15, 2020)**

The company will follow a Hybrid model for its employees to work from both their homes and return to offices and the situation may change depending on the vaccination. The company has a total headcount of 2,40,000 across 40 countries.

*For details:*

<https://www.deccanherald.com/business/business-news/infosys-to-prefer-flexible-hybrid-work-model-for-employees-in-view-of-pandemic-927729.html>

- **Oaktree Seeks to Insure DHFL offer with AIF Plan (December 16, 2020)**

American asset manager Oaktree Capital, which is in a fierce race to acquire the bankrupt mortgage lender Dewan Housing Finance Corporation (DHFL), plans to use an alternative investment fund (AIF) for taking over DHFL's life insurance venture Pramerica and comply with India's foreign ownership rules in the insurance industry.

*For details:*

[https://economictimes.indiatimes.com/industry/banking/finance/oaktree-seeks-to-insure-dhfl-offer-with-aif-plan/articleshow/79749286.cms?utm\\_source=contentofinterest&utm\\_medium=text&utm\\_campaign=cppst](https://economictimes.indiatimes.com/industry/banking/finance/oaktree-seeks-to-insure-dhfl-offer-with-aif-plan/articleshow/79749286.cms?utm_source=contentofinterest&utm_medium=text&utm_campaign=cppst)

- **'Farm talks are bound to fail': Supreme Court proposes forming panel (December 17, 2020)**

The Supreme Court on Wednesday indicated it may form a committee having representatives of the government and farmers to resolve the deadlock over the three new agricultural laws that have led to massive protests, saying “it may become a national issue”.

*For details:*

[https://www.business-standard.com/article/current-affairs/farm-talks-are-bound-to-fail-supreme-court-proposes-forming-panel-120121700039\\_1.html](https://www.business-standard.com/article/current-affairs/farm-talks-are-bound-to-fail-supreme-court-proposes-forming-panel-120121700039_1.html)

- **What triggered the vandalism at Wistron iPhone facility (December 17, 2020)**

Violence at Wistron Corp’s Narasapura facility near Bengaluru over alleged non-payment of promised remuneration to contract workers, overtime and around 12 hours shifts every day, the company had earlier claimed in their police complaint to have suffered losses over Rs 437 crore.

*For details:*

<https://www.indiatoday.in/india/story/what-triggered-the-vandalism-at-wistron-iphone-facility-1750319-2020-12-17>

- **SC says farmers have right to protest, suggests Centre put farm laws on hold (December 18, 2020)**

Acknowledging the right of farmers to hold non-violent protests, the Supreme Court on Thursday suggested that the Centre put implementation of the new farm laws on hold while putting forward the idea of constituting an impartial and independent committee, which may include experts like P Sainath, to end the impasse. The Centre said farmers would not come forward for negotiations if implementation of farm laws was put on hold.

*For details:*

<https://indianexpress.com/article/india/supreme-court-farmers-protest-news-committee-7108445/>

- **Supreme Court Reserves Judgement in Tata-Mistry Case (December 18, 2020)**

A bench of Chief Justice SA Bobde and Justices AS Bopanna and V S Ramasubramanian, reserved its verdict on the cross appeals filed by Tata Sons Pvt. Ltd. and Cyrus Investments Pvt. Ltd. against the appellate tribunal NCLAT order which had restored Cyrus Mistry as the executive chairman of the over USD 100 billion salt-to-software Tata conglomerate.

*For details:*

<https://www.ndtv.com/india-news/supreme-court-reserves-judgement-in-tata-mistry-case-2340144>

- **Govt. working on draft national broadcast policy, govt. tells industry (December 17, 2020)**

The Ministry of Information and Broadcasting is in the process of coming up with a Draft National Broadcast policy and Consultation on the Animation, Visual Effects, Gaming and Comic (AVGC) Policy will also be held soon, the government said at the CII BIG picture Summit on Thursday.

*For details:*

<https://timesofindia.indiatimes.com/india/govt-working-on-draft-national-broadcast-policy-govt-tells-industry/articleshow/79784145.cms>

- **Reliance Jio to go for next generation network architecture for 5G (December 21, 2020)**

Reliance Jio is planning to launch the next generation 5G standalone Option 2 architecture for its network and skip the current interim standard used by most of the networks across the globe. The current interim architecture, known as non-standalone 5G, enables operators to leverage their existing investments in their 4G LTE networks and reduce capital costs.

*For details:*

[https://www.business-standard.com/article/companies/reliance-jio-to-go-for-next-generation-network-architecture-for-5g-120122100020\\_1.html](https://www.business-standard.com/article/companies/reliance-jio-to-go-for-next-generation-network-architecture-for-5g-120122100020_1.html)

- **Government likely to extend IBC suspension to prevent companies from being forced into insolvency proceedings (December 21, 2020)**

Much to the relief of small businesses, the Government is likely to extend IBC suspension further to prevent companies from being forced into insolvency proceedings due to debt defaults triggered by the COVID-19 crisis. The government may extend IBC suspension by another three months.

*For details:*

<https://www.timesnownews.com/business-economy/industry/article/government-likely-to-extend-ibc-suspension-to-prevent-cos-from-being-forced-into-insolvency-proceedings/697067>

- **Nayar elevated as KKR chairman, Trehan to head India PE business (December 21, 2020)**

Global buyout major KKR elevated Sanjay Nayar, the CEO of its Indian arm, as chairman, while appointing TPG Capital's Gaurav Trehan as head of its private equity (PE) business in the country.

*For details :*

[https://www.business-standard.com/article/companies/sanjay-nayar-elevated-as-kkr-chairman-takes-charge-on-december-31-120122100690\\_1.html](https://www.business-standard.com/article/companies/sanjay-nayar-elevated-as-kkr-chairman-takes-charge-on-december-31-120122100690_1.html)

- **New coronavirus strain infects global markets; Sensex, Nifty fall over 3% (December 22, 2020)**

Global stocks tumbled amid panic selling as a new strain of coronavirus emerging from the UK led to fresh travel restrictions, casting a cloud over the prospects of economic recovery.

The Sensex plunged 1,407 points, or 3 per cent, to end at 45,554 in its biggest fall in percentage terms since April, while the Nifty dropped 432 points, or 3.14 per cent, to end the session at 13,328. Monday's fall saw investor wealth shrink by Rs. 6.6 trillion, based on the market capitalisation of all listed companies on the BSE.

*For details:*

[https://www.business-standard.com/article/markets/new-coronavirus-strain-infects-global-markets-sensex-nifty-fall-over-3-120122200030\\_1.html](https://www.business-standard.com/article/markets/new-coronavirus-strain-infects-global-markets-sensex-nifty-fall-over-3-120122200030_1.html)

- **New electricity rules give consumers across India the right to 24x7 supply (December 22, 2020)**

Consumers across the country will now have the right to a minimum standard of service for supply of electricity. This will also include the right to round-the-clock electricity supplies, unless stated otherwise for a specific category, such as an agricultural connection.

*For details :*

[https://www.business-standard.com/article/economy-policy/new-electricity-rules-give-consumers-across-india-the-right-to-24x7-supply-120122100530\\_1.html](https://www.business-standard.com/article/economy-policy/new-electricity-rules-give-consumers-across-india-the-right-to-24x7-supply-120122100530_1.html)

- **Industry asks Government to pause proposed changes to the definition of 'wages' (December 22, 2020)**

India Inc. has asked the Government to put on hold a key proposal in the new wages code that limits employee allowances to 50% of total salary, arguing that it will raise costs for employers while reducing take-home pay. The code goes into effect on April 1.

*For details: :*

[https://economictimes.indiatimes.com/news/company/corporate-trends/industry-asks-govt-to-pause-proposed-changes-to-definition-of-wages/articleshow/79849504.cms?utm\\_source=contentofinterest&utm\\_medium=text&utm\\_campaign=cppst](https://economictimes.indiatimes.com/news/company/corporate-trends/industry-asks-govt-to-pause-proposed-changes-to-definition-of-wages/articleshow/79849504.cms?utm_source=contentofinterest&utm_medium=text&utm_campaign=cppst)

- **Reliance-Future deal : Delhi HC rejects plea for injunction against Amazon (December 21, 2020)**

In August this year, Biyani's Future Group entered into an agreement with Reliance Retail to sell its retail, wholesale, logistics and warehousing to the latter. Last year, Biyani's Future Retail had signed another deal with global e-commerce giant Amazon. As part of this deal, Amazon had acquired 49 per cent stake in Future Coupons Pvt Ltd in a deal worth nearly Rs. 1430 crore. After Future's agreement with Reliance, Amazon said that the deal was a violation of a non-compete clause and a right-of-first-refusal pact it had signed with the Future Group. The deal with Amazon also required Future Group to inform former before entering into any sale agreement with third parties. On its part, the Future Group said that it had not sold any stake in the company, and was merely selling its assets and had therefore not violated any terms of the contract.

Along these lines, Amazon sent a letter to SEBI, NSE & BSE asking them not to approve the Future-Reliance deal as there was an interim stay order on the same. Future Group had moved a plea in the Delhi High Court seeking appropriate relief against Amazon to stop the latter from interfering in its deal with Reliance Industries Limited's (RIL) and Reliance Retail Ventures Limited (RRVL). The Delhi High Court refused to restrain Amazon from interfering in Future Retail's \$3.4 billion deal with Reliance Retail by writing to statutory authorities.

*For details:*

<https://indianexpress.com/article/explained/explained-why-future-group-has-taken-amazon-to-court-what-the-court-said-7113612/>

[https://www.business-standard.com/article/companies/reliance-future-deal-delhi-hc-rejects-plea-for-injunction-against-amazon-120122100990\\_1.html](https://www.business-standard.com/article/companies/reliance-future-deal-delhi-hc-rejects-plea-for-injunction-against-amazon-120122100990_1.html)

- **Apple targets car production by 2024 and eyes 'next level' battery technology (December 22, 2020)**

Apple Inc is moving forward with self-driving car technology and is targeting 2024 to produce a passenger vehicle that could include its own breakthrough battery technology, people familiar with the matter told Reuters.

*For details:*

<https://indianexpress.com/article/technology/tech-news-technology/apple-car-production-2024-next-level-battery-tech-7114623/>

- **Delhi High Court rules Amazon's attempt to control Future violative of FEMA FDI (December 23, 2020)**

The Delhi High Court has ruled that US e-commerce giant Amazon's attempt to control Future Retail through a conflation of agreements it has with an unlisted unit of the Indian company will be violative of the FEMA FDI rules, the Kishore Biyani-led firm said on Wednesday.

Giving out its analysis of the Delhi High Court's December 21 judgment, Future Retail Ltd (FRL) in a filing to stock exchanges said its board approving a Rs. 24,713 crore deal to sell assets to Reliance Retail has been held "valid in law" by the court.

*For details:*

[https://economictimes.indiatimes.com/industry/services/retail/delhi-high-court-rules-amazons-attempt-to-control-future-violative-of-fema-fdi/articleshow/79925443.cms?utm\\_source=contentofinterest&utm\\_medium=text&utm\\_campaign=cppst](https://economictimes.indiatimes.com/industry/services/retail/delhi-high-court-rules-amazons-attempt-to-control-future-violative-of-fema-fdi/articleshow/79925443.cms?utm_source=contentofinterest&utm_medium=text&utm_campaign=cppst)

- **Cabinet okays 100% FDI in DTH sector, licences for 20 years (December 24, 2020)**

The Union Cabinet on Wednesday approved revision in guidelines for providing direct to home services under which licences will be issued for 20 years, renewed automatically every 10 years, where licence fee will be reduced, and 100% FDI will be permitted in the DTH sector.

*For details:*

[http://timesofindia.indiatimes.com/articleshow/79932327.cms?utm\\_source=contentofinterest&utm\\_medium=text&utm\\_campaign=cppst](http://timesofindia.indiatimes.com/articleshow/79932327.cms?utm_source=contentofinterest&utm_medium=text&utm_campaign=cppst)

- **India loses Cairn case in arbitration; asked to pay Rs. 8,842 crore in damages December 24, 2020)**

In a major setback, the Indian government has lost an international arbitration case to energy giant Cairn Plc over the retrospective levy of taxes, and has been asked to pay damages worth \$1.2 billion (Rs. 8,842 crore) to the UK firm. The verdict came on Tuesday night, barely three months after India lost arbitration to Vodafone Plc over the retrospective tax legislation amendment.

*For details:*

[https://www.business-standard.com/article/companies/india-loses-cairn-case-in-arbitration-asked-to-pay-rs-8-000-cr-in-damages-120122300289\\_1.html](https://www.business-standard.com/article/companies/india-loses-cairn-case-in-arbitration-asked-to-pay-rs-8-000-cr-in-damages-120122300289_1.html)

- **India Challenges Vodafone Arbitration Ruling In Singapore (December 24, 2020)**

India has challenged in Singapore an international arbitration court's verdict against it over a \$2 billion tax claim involving Vodafone Group Plc, according to sources. This development comes after the government lost an international arbitration case against Vodafone in September.

*For details:*

<https://www.ndtv.com/business/india-challenges-vodafone-arbitration-ruling-in-singapore-over-a-2-billion-retrospective-tax-dispute-2342888>

- **Dish TV gets notice of ₹4,164 crore from govt. for licence fee (December 25, 2020)**

Dish TV, the popular direct-to-home operator said that it has received a notice from the government for payment of ₹4,164.05 crore for licence fee. "... we would like to inform that the Ministry of Information and Broadcasting vide its communication dated December 24, 2020, has intimated the company that basis the accounts of the Company and payment made by the Company towards license fee from the period from the date of issuance of DTH License till Financial Year 2018-19, an amount of ₹4,164.05 crores is payable by the company," the company said in a regulatory filing.

*For details:*

<https://www.livemint.com/companies/news/dish-tv-gets-notice-of-rs-4-164-crore-from-govt-for-licence-fee-11608909748544.html>

- **Bank asset quality may see sharp deterioration post-moratorium: RBI (December 30, 2020)**

The banking and non-banking financial sectors in India showed resilience in 2019-20, but with nearly 40 per cent of the outstanding loans under a moratorium, the system may face a sharp deterioration in asset quality, the Reserve Bank of India's (RBI's) annual publication titled "Trend and Progress of Banking in India", released on December 29, 2020, mentioned.

*For details:*

[https://www.business-standard.com/article/economy-policy/expect-sharp-drop-in-asset-quality-after-covid-accommodation-withdraws-rbi-120122901171\\_1.html](https://www.business-standard.com/article/economy-policy/expect-sharp-drop-in-asset-quality-after-covid-accommodation-withdraws-rbi-120122901171_1.html)

- **US fund Interups pulls out of Air India race as deal with employees fails (December 30, 2020)**

US-based fund Interups has backed out of the race to acquire Air India. The fund, which has targeted several stressed assets in India, was looking to partner the airline's employees for the bid.

But with the employee consortium refusing to join hands, Interups has withdrawn its expression of interest (Eoi).

*For details:*

[https://www.business-standard.com/article/companies/us-fund-interups-pulls-out-of-air-india-race-as-deal-with-employees-fails-120122901145\\_1.html](https://www.business-standard.com/article/companies/us-fund-interups-pulls-out-of-air-india-race-as-deal-with-employees-fails-120122901145_1.html)

- **Former Economic Affairs Secretary Atanu Chakraborty to be HDFC Bank's next Chairman (December 30, 2020)**

HDFC Bank, India's largest private sector lender is set to appoint former Economic Affairs Secretary Atanu Chakraborty as its next chairman, the Economic Times mentioned in a report citing two people aware of the development. On December 28, HDFC Bank submitted his candidature to the Reserve Bank of India, the sources mentioned above told the business daily. RBI has to approve the appointment.

*For details:*

<https://www.timesnownews.com/business-economy/companies/article/former-economic-affairs-secretary-atanu-chakraborty-to-be-hdfc-banks-next-chairman/700704>

- **Hyderabad-based IVRCL booked by CBI for Rs. 4,800 crore fraud (December 31, 2020)**

The Central Bureau of Investigation (CBI) on Wednesday booked a case against Hyderabad-based infra major IVRCL Limited for alleged bank loan fraud of Rs. 4,837 crore. CBI sleuths said searches on the offices and residences promoters of IVRCL at various places led to recovery of several incriminating documents.

*For details:*

[http://timesofindia.indiatimes.com/articleshow/80035639.cms?utm\\_source=contentofinterest&utm\\_medium=text&utm\\_campaign=cppst](http://timesofindia.indiatimes.com/articleshow/80035639.cms?utm_source=contentofinterest&utm_medium=text&utm_campaign=cppst)

- **Tata Sons now largest promoter of listed companies, overtakes Centre (January 01, 2021)**

At the end of 2020, Tata Sons is the largest promoter of listed companies, overtaking the central government.

This is the first time in nearly two decades that the government has not held the position, after the market capitalisation of state-run companies declined.

Tata Sons stake in the conglomerate's listed companies is now worth Rs. 9.28 lakh crore, up 34.4 percent on a year-on-year (YoY) basis.

*For details:*

<https://www.moneycontrol.com/news/business/tata-sons-now-largest-promoter-of-listed-companies-overtakes-centre-6292161.html>

- **Budget 2021 : Centre set to launch e-platform to sell non-core assets (January 06, 2021)**

The government is set to launch an online platform to sell surplus land and properties of public sector undertakings (PSUs), as part of its asset monetisation drive.

*For details:*

[https://www.business-standard.com/budget/article/budget-2021-centre-set-to-launch-e-platform-to-sell-non-core-assets-121010600053\\_1.html#:~:text=%C2%ABBack-,Budget%202021%3A%20Centre%20set%20to%20launch%20e%2Dplatform,to%20sell%20non%2Dcore%20assets&text=It%20is%20estimating%20that%20this,to%20a%20senior%20government%20official.](https://www.business-standard.com/budget/article/budget-2021-centre-set-to-launch-e-platform-to-sell-non-core-assets-121010600053_1.html#:~:text=%C2%ABBack-,Budget%202021%3A%20Centre%20set%20to%20launch%20e%2Dplatform,to%20sell%20non%2Dcore%20assets&text=It%20is%20estimating%20that%20this,to%20a%20senior%20government%20official.)

- **WhatsApp's new privacy policy (January 07, 2021)**

WhatsApp's updated terms of service and privacy policy giving more insight into how the messaging platform will use user data and share it with its parent company Facebook.

*For details:*

<https://indianexpress.com/article/explained/explained-what-you-need-to-know-about-whatsapps-new-privacy-policy-7135730/>

- **WhatsApp's latest policy update may further encroach the privacy of users (January 08, 2021)**

WhatsApp's new Terms of Service and privacy policy, which will come into effect on February 8, has asked users to either accept the changes in its Terms of Service and privacy policy or their accounts will be deleted. After getting the permission of user, the mobile phone numbers and all contacts in their address book will be with WhatsApp, which will also know the status message. Further, it will have information about their bank balance with the help of WhatsApp Payment Service.

*For details:*

<https://zeenews.india.com/india/dna-exclusive-whatsapps-latest-policy-update-may-further-encroach-on-the-privacy-of-users-2334736.html>

- **Digital services tax in India discriminatory: USTR investigation (January 08, 2021)**

India's 2% digital services tax on e-commerce supply discriminates against US companies and is inconsistent with international tax principles, according to a US Trade Representative (USTR) investigation.

*For details:*

<https://www.tribuneindia.com/news/business/digital-services-tax-in-india-discriminatory-ustr-investigation-195286>

- **Apple and Google Ban Social Media Platform Parler from App Store (January 09, 2021)**

One day after Google banned Parler — the “free speech” social media app favored by Trump supporters — from its app store, Apple followed suit. Later that same night, BuzzFeed reported and CNN confirmed, that Amazon plans to suspend Parler's account with their web services on Sunday night. Without a web host, the app will go offline until it finds one.

*For details:*

<https://www.rollingstone.com/culture/culture-news/apple-google-ban-social-media-app-parler-1112276/>

- **Traders' body asks govt. to ban WhatsApp, Facebook over new privacy policy (January 10, 2021)**

Traders' body CAIT on Sunday wrote to Information and Technology Minister Ravi Shankar Prasad demanding that the government restrict WhatsApp from implementing its new privacy policy or impose a ban on the messaging app and its parent company Facebook.

The Confederation of All India Traders (CAIT) claimed that through the new privacy policy, "all kinds of personal data, payment transactions, contacts, location and other vital information of a person who is using WhatsApp will be acquired by it and can be used for any purpose by WhatsApp"

*For details:*

[https://www.business-standard.com/article/economy-policy/traders-body-asks-govt-to-ban-whatsapp-facebook-over-new-privacy-policy-121011000625\\_1.html](https://www.business-standard.com/article/economy-policy/traders-body-asks-govt-to-ban-whatsapp-facebook-over-new-privacy-policy-121011000625_1.html)

- **Sensex closes in on 50,000; 1st batch of Covishield released (January 12, 2021)**

Stocks cheered the scheduled roll-out of Covid-19 vaccines in the country by the end of this week and the strong start to the quarterly earnings season. The benchmark Sensex crossed the 49,000 mark for the first time, and is now within striking distance of the 50,000 milestone. The Sensex rose 487 points, or 1 per cent, to end the session at 49,269, while the Nifty closed at 14,484, a gain of 137 points, or 0.9 per cent. IT stocks were the top gainers and contributed the most towards the Sensex's gains.

*For details:*

[https://www.business-standard.com/article/current-affairs/top-headlines-sensex-closes-in-on-50-000-1st-batch-of-covishield-released-121011200156\\_1.html](https://www.business-standard.com/article/current-affairs/top-headlines-sensex-closes-in-on-50-000-1st-batch-of-covishield-released-121011200156_1.html)

- **Reliance Retail to rope in kirana stores as franchise partners to fulfil Jio Mart orders (January 12, 2021)**

Reliance Retail is set to rope in local kirana stores as franchise partners to fulfill orders placed on its e-commerce platform JioMart. Reliance Retail will exit from the direct sale of packaged food, grocery and FMCG products. The kirana stores will sell these products to consumers in their respective neighbourhoods.

*For details:*

<https://www.timesnownews.com/business-economy/companies/article/reliance-retail-to-rope-in-kirana-stores-as-franchise-partners-to-fulfill-jiomart-orders/705999>

- **Byju's signs billion-dollar deal to acquire Aakash Educational Services: Report (January 12, 2021)**

India's biggest online-education startup Byju's has signed a deal to acquire brick & mortar test prep leader Aakash Educational Services Ltd. for \$1 billion.

The deal for what will be one of the largest edtech acquisitions in the world should close in the next two or three months.

*For details:*

<https://economictimes.indiatimes.com/tech/startups/byjus-signs-billion-dollar-deal-to-acquire-aakash-educational-services/articleshow/80236711.cms>

- **Elon Musk's Tesla opens India entity in Bengaluru, names three directors (January 12, 2021)**

Billionaire Elon Musk-led Tesla has registered a subsidiary company in India, as the Cupertino-headquartered Electric Vehicle (EV) maker eyes a slice of the largely untapped domestic sustainable automobile market.

*For details :*

<https://www.livemint.com/companies/news/elon-musk-s-tesla-opens-india-entity-in-bengaluru-names-three-directors-11610464180051.html>

- **Explained: How private is WhatsApp, what can Facebook see and should you look at alternatives (January 13, 2021)**

Amid continuing concerns over its new privacy policy released a few days ago, WhatsApp had to clarify yet again that the policy changes nothing for those messaging friends and family. It also clarified that in some conditions, business messages – “different than messaging with your family or friends” – can be read by Facebook and could be used for marketing purposes.

The latest clarification brings in what seems like a differentiation between “messages with friends or family” and “messages with a business”. It says the new privacy policy pertains to the latter alone and the former remains unchanged.

*For details :*

<https://indianexpress.com/article/explained/how-private-is-whatsapp-7143928/>

- **Google removes 30 loan apps from Play store after RBI red flag (January 15, 2021)**

Naspers-backed PayU's credit platform LazyPay, as well Cashguru, 10 Minute Loan, Rupee click and Finance Buddha, are among the 30 online lending apps that have been removed from Google Play store.

*For details:*

<https://economictimes.indiatimes.com/tech/technology/google-removes-personal-loan-apps-violating-user-safety-policies-from-play-store/articleshow/80267043.cms>

- **Parliamentary Consultative Committee meeting of Commerce and Industry on “New Foreign Trade Policy 2021-26” held (January 13, 2021)**

Meeting of the Parliamentary Consultative Committee of the Ministry of Commerce and Industry was held on January 12, 2021 on the subject “New Foreign Trade Policy 2021-26”. The meeting was chaired by the Minister of State for Commerce and Industry Shri Hardeep Singh Puri, and attended by Hon'ble Members of Parliament and senior officers of the Ministry.

The Hon'ble Members of Parliament were briefed about the Foreign Trade Policy (FTP). India's FTP has conventionally been formulated for five years at a time. The FTP 2015-20 came into effect on 1st April 2015 and the same was extended by one year till 31 March 2021, due to Covid-19 pandemic.

It was informed that the new FTP will come into effect from 1st April 2021 for a period of five years and will strive to make India a leader in the area of international trade and channelize the synergies gained through merchandise and services exports for growth and employment with a goal to make India a USD 5 Trillion economy. A key driver for India to achieve the USD 5 Trillion mark in an expedited time frame would be boosting exports, both merchandise and services, through systematically addressing domestic and overseas constraints related to the policy, regulatory and operational framework for lowering transactions costs and enhancing ease of doing business, creating a low cost operating environment through efficient, cost-effective and adequate logistical and utilities infrastructure. Improvements in the operations of the domestic manufacturing and services sector in combination with efficient infrastructure support by the government would result in correcting the imbalances within India and feed into the trade policy. It was informed that the District Export Hubs initiative will form an important component of the new FTP.

*For details:*

<https://commerce.gov.in/press-releases/parliamentary-consultative-committee-meeting-of-commerce-and-industry-on-new-foreign-trade-policy-2021-26-held/>

- **Gautam Adani Latest to Sell Stake to Overseas Partner after Mukesh Ambani (January 19, 2021)**

Billionaire Gautam Adani is raising \$2.5 billion from a deal that includes the sale of a minority stake in his renewables business to French energy giant Total SE, a transaction that may help the tycoon cut group debt.

Paris-based Total will acquire 20% of Adani Green Energy Ltd. and a board seat as well as a 50% stake in a portfolio of operating solar assets with 2.35 gigawatts capacity, confirming an earlier report by Bloomberg News. But shares of Adani Green have more than quadrupled in value in the past year in Mumbai, giving the company a market value of about \$20 billion.

*For details :*

<https://www.ndtv.com/business/adani-green-total-deal-news-gautam-adani-sells-stakes-to-overseas-partner-in-mukesh-ambani-style-deal-2354497>

- **Budget 2021 : Special window for big-ticket foreign investments likely (January 19, 2021)**

Big-ticket foreign investors looking to invest in India could soon find their proposals getting quick treatment from the government. The Centre is planning to create a special window for strategically important investors such as sovereign wealth funds and pension funds that wish to invest over Rs. 3,000 crore through a single transaction.

*For details :*

[https://www.business-standard.com/budget/article/budget-2021-special-window-for-big-ticket-foreign-investments-likely-121011801614\\_1.html](https://www.business-standard.com/budget/article/budget-2021-special-window-for-big-ticket-foreign-investments-likely-121011801614_1.html)

- **Budget 2021 : Super agency to probe financial sector frauds on cards (January 25, 2021)**

The government could soon set up an omnibus agency to investigate financial sector frauds. If it comes through, the proposal, which is now shuttling between the finance and home ministries, is likely to land on the latter's plate. The government is expected to out the move as a means to facilitate ease of doing business in the country.

*For details:*

[https://www.business-standard.com/budget/article/budget-2021-super-agency-to-probe-financial-sector-frauds-on-cards-121012400914\\_1.html](https://www.business-standard.com/budget/article/budget-2021-super-agency-to-probe-financial-sector-frauds-on-cards-121012400914_1.html)

- **Finance Minister launches “Union Budget Mobile App” to provide easy and quick access to Union Budget information to all stakeholders [PIB Dated Jan 23, 2021]**

The Halwa ceremony, marking the final stage of the Budget making process for Union Budget 2021-22, was held in North Block in the presence of Union Finance & Corporate Affairs Minister Smt. Nirmala Sitharaman. A customary Halwa ceremony is performed every year before the “lock-in” process of Budget preparation begins. On the occasion, Finance Minister Smt. Nirmala Sitharaman also launched the “Union Budget Mobile App” for hassle-free access of Budget documents by Members of Parliament (MPs) and the general public using the simplest form of digital convenience. The mobile App facilitates complete access to 14 Union Budget documents, including the Annual Financial Statement (commonly known as Budget), Demand for Grants (DG), Finance Bill etc. as prescribed by the Constitution.

*For details:*

<https://www.pib.gov.in/PressReleasePage.aspx?PRID=1691577>

- **Privatisation policy cleared by the cabinet, details to be announced in Budget (January 27, 2021)**

The Union Cabinet cleared the Privatisation policy. Soares told ET Now that while the policy has been cleared by the Cabinet, the details will be announced in Budget 2021 which is all set to be presented in Parliament on February 1, 2021.

*For details:*

<https://www.timesnownews.com/business-economy/economy/article/privatisation-policy-cleared-by-the-cabinet-details-to-be-announced-in-budget/712603>

- **Amazon under Enforcement Directorate lens over FDI rule breach (January 28, 2021)**

The Enforcement Directorate (ED) has registered a case against e-commerce major Amazon for allegedly violating some provisions of the foreign exchange law linked to multi-brand retail. The action follows certain observations made by a Delhi High Court bench last month about Amazon in the Reliance-Future Retail acquisition case.

*For details:*

[https://www.business-standard.com/article/companies/amazon-under-enforcement-directorate-lens-over-fdi-rule-breach-121012800075\\_1.html](https://www.business-standard.com/article/companies/amazon-under-enforcement-directorate-lens-over-fdi-rule-breach-121012800075_1.html)

- **Future Retail moves application in NCLT for demerger of Group assets (January 28, 2021)**

Future Retail has moved an application in the NCLT for demerger of the assets of the Future Group. This is a step towards firming up the scheme agreement with Reliance Industries Ltd.

This comes even as Amazon has moved a fresh petition in the Delhi High Court to implement the interim stay passed by the Singapore International Arbitration Centre (SIAC) on the said deal. It has prayed for a restraining injunction against the Future Retail and Reliance Industries Ltd deal, and sought damages.

*For details:*

<https://www.thehindubusinessline.com/companies/future-retail-moves-application-in-nclt-for-demerger-of-group-assets/article33684129.ece>

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# Ministry of Law & Justice

## Info Capsule Series 5

- Over 10 Lakh cases worth settlement value of nearly ₹3228.Cr disposed of in last National Lok Adalat of the year 2020 organised through both virtual and physical mode

Last National Lok Adalat of the year 2020 was organised through virtual and physical mode across the country under the aegis of the National Legal Services Authority on 12.12.2020. The requisite safety protocol in view of the COVID-19 pandemic was strictly observed by all SLSAs and DLSAs during organisation of daylong event of the Lok Adalat.

A total number of 8152 Benches were constituted by 31 SLSAs to conduct the National Lok Adalat. It was successful in disposing of 10,42,816 cases. Out of the total cases disposed of 5,60,310 cases were at the pre-litigation stage and 4,82,506 cases were those which were pending in the courts. The details, as provided by states on NALSA portal, indicate that the settlement amount was nearly ₹3227.99 Cr.

*For details*

<https://www.pib.gov.in/PressReleasePage.aspx?PRID=1681363>

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# General Laws & Arbitration

## Info Capsule Series 5

- **Motor Vehicle Aggregator Guidelines issued to regulate shared mobility and reducing traffic congestion and pollution (November 27, 2020)**

The Ministry of Road Transport and Highways has issued the Motor Vehicle Aggregator Guidelines 2020 as per the requirements and provisions of the Motor Vehicles (Amendment) Act, 2019 and further as per the amended Section 93 of the Motor Vehicles Act, 1988.

*For details:*

<https://www.pib.gov.in/PressReleasePage.aspx?PRID=1676403>

- **Supreme Court upholds validity of Tribunal Rules 2020 with modifications; orders constitution of National Tribunals Commission (November 27, 2020)**

The Supreme Court on November 27, 2020 upheld the validity of Tribunal, Appellate Tribunal and other Authorities (Qualifications, Experience and other Conditions of Service of Members) Rules, 2020 (2020 Rules) with some modifications and ordered constitution of National Tribunals Commission to cater to the requirements of the tribunals.

*For details:*

<https://www.barandbench.com/news/litigation/supreme-court-upholds-tribunal-rules-2020>

## Arbitration

- **An Overview of the Supreme Court's Interpretation on Unilateral Appointment of Arbitrators (January 29, 2021)**

The issue of selection of arbitrator(s) from a panel of arbitrators or otherwise is much debated, because in commercial contracts, especially government contracts, the arbitrator selection process is generally framed in favour of the party having greater bargaining power. The amendments introduced to the Arbitration and Conciliation Act, 1996 ("ACA"), starting from the amendments brought in 2015, have sought to further neutrality, independence, fairness and transparency in the arbitrator selection process.

*For details:*

*<https://www.livelaw.in/columns/supreme-court-interpretation-appointment-arbitrators-arbitration-and-conciliation-act-169064>*

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# International Business

## Info Capsule Series 5

- **World Bank: More countries in ‘deep debt distress’ this year (January 7, 2021)**

World Bank Group President David Malpass has declared a ‘red alert’ for countries working to adjust their debt burdens, saying it was necessary to dramatically reduce the burden, especially in poorer countries, according to Reuters news agency.

*For details:*

<https://www.breakingbelizenews.com/2021/01/07/world-bank-more-countries-in-deep-debt-distress-this-year/>

- **World Bank signs project to improve quality of India’s education system (January 28, 2021)**

The Government of India and the World Bank signed a \$500 million Strengthening Teaching-Learning and Results for States Program (STARS) to improve the quality and governance of school education in six Indian states - Himachal Pradesh, Kerala, Madhya Pradesh, Maharashtra, Odisha, and Rajasthan. Some 250 million students (between the age of 6 and 17) in 1.5 million schools, and over 10 million teachers will benefit from the program.

*For details:*

<https://reliefweb.int/report/india/world-bank-signs-project-improve-quality-india-s-education-system>

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# Pronouncements

## Info Capsule Series 5

November 26, 2020	<i>Non Vallesina Engineering SpA (now known as Noy Ambiente S.p.a (Appellant) vs. Jindal Drugs Limited &amp; Ors. (Respondent)</i>	Supreme Court
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### Proceedings U/s 34 Arbitration & Conciliation Act Not Maintainable Against Foreign Award : Supreme Court

#### Fact of the case

In this case, respondent filed a petition before the Bombay High Court under Section 34 of the Act challenging the partial award. Though the single bench dismissed this petition, the Division Bench, referring to the Supreme Court decisions in *Bhatia International v. Bulk Trading S. A. & Anr* and *Venture Global Engineering v. Satyam Computer Services Ltd. & Anr*, held that proceedings under Section 34 of the Act could be validly maintained to challenge a foreign award.

In appeal, the Supreme Court opined that the Arbitration Act, 1996 has accepted the territoriality principle which has been adopted in the UNCITRAL Model Law and Section 2(2) makes a declaration that Part I of the Arbitration Act, 1996 shall apply to all arbitrations which take place within India.

#### Judgment

The supreme court having regard to the precedential unanimity about the manner of applicability of BALCO, with respect to the law of the seat of arbitration (or the curial law) excluding applicability of Part I of the Act, and the unambiguous intention of the parties in the present case that the seat of arbitration was London, and the awards rendered, opined that the impugned judgment cannot be sustained. The bench set aside the High Court order.

#### For more details:

<https://www.livelaw.in/top-stories/sec-34-arbitration-conciliation-act-not-maintainable-against-foreign-award-166544>

December 03, 2020	<i>Skill Lotto Solutions (P) Ltd. (Appellant) vs. Union of India and Ors. (Respondent)</i>	The Supreme Court
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### Lottery, betting, gambling taxable under GST Act

#### Facts of the case:

The Appellant argued that the CGST Act, 2017 and notifications wrongfully viewed lotteries as goods when lotteries are actionable claims. The appellant also said that under the GST Act, rates prescribed on the sale of lottery tickets are 12% if the lotteries are sold within the same State, and 28% if a State sells the lottery tickets in other States, which is arbitrary, discriminatory, unreasonable and clearly violative of Articles 14 of the Constitution.

According to the petition, Section 2(52) of the Central Goods and Services Tax Act, 2017 and notifications levying tax on lottery is violative of the fundamental rights and contrary to a judgment of Supreme Court in *Sunrise Associates vs. Government of NCT of Delhi of 2006*, where it was held that lotteries could not be defined as goods and were merely actionable claims.

#### Judgment:

The Supreme Court upheld the constitutional validity of imposing Goods and Services Tax (GST) on sale of lotteries across India. The Court has held that keeping lottery and gambling under GST's ambit is legally valid, upholding validity of tax imposition on lottery tickets and the prize money. The Court said that lottery, betting and gambling are "actionable claims" and come within the definition of 'goods' under Section 2(52) of the Central Goods and Services Tax Act, 2017.

#### For details:

[https://main.sci.gov.in/supremecourt/2018/27917/27917\\_2018\\_34\\_1501\\_24918\\_Judgement\\_03-Dec-2020.pdf](https://main.sci.gov.in/supremecourt/2018/27917/27917_2018_34_1501_24918_Judgement_03-Dec-2020.pdf)

December 02, 2020	<i>Today Homes and Infrastructure (P) Ltd. (Appellant) vs. Ajay Nagpal and Others (Respondent)</i>	Supreme Court
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### RERA does not Bar Consumer Forum from entertaining complaints by allottees

#### Facts of the case:

In this case, the issue before the Delhi High Court was whether the proceedings under the Consumer Protection Act, 1986 can be commenced by home buyers (or allottees of properties in proposed real estate development projects) against developers, after the commencement of the Real Estate (Development and Regulation) Act, 2016.

#### Judgment:

The Supreme Court has reiterated that Section 79 of the RERA Act does not bar the Consumer fora from entertaining complaint on behalf of an allottee.

#### For details:

[https://main.sci.gov.in/supremecourt/2019/34294/34294\\_2019\\_34\\_3\\_24934\\_Order\\_02-Dec-2020.pdf](https://main.sci.gov.in/supremecourt/2019/34294/34294_2019_34_3_24934_Order_02-Dec-2020.pdf)

November 18, 2020	<i>Positive edge Technology Pvt. Ltd. &amp; Ors. (Appellants) vs. Asmita Katdare &amp; Ors. (Respondents)</i>	NCLAT
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The Companies Act, 2013 vide chapter IV specifically regulates the mechanism for Transfer & Transmission of s. Hence, as per Section 430 of the Companies Act, “Civil Court not to have Jurisdiction” on such issues.

#### **Fact of the case**

The Appellant is aggrieved by the impugned order of the NCLT, Bangalore Bench which directed the 1st Appellant Company to give effect to the transmission of shares of the deceased Director and Shareholder of 1st Appellant Company in favour of Respondents by rectifying its register of members and also to pay all consequential benefits at par with other shareholders. The Tribunal has observed that the Appellant Company is exercising arbitrary powers conferred on the Company and its Directors by Article of Association of this Company and it amounts to oppression.

The Appellants have alleged that the Respondents are putting pressure on the Appellants for transmission of 5000 equity shares without complying with the Indian Laws Intestate Succession. Further, the Appellants have submitted that the Article of Association of the company is conferring discretion upon the Board of Directors in transmission matters. They have also raised the issue that the Tribunal has decided “Civil Right of inheritance of the Respondent qua the shares held by the deceased members”. It is a settled principle of law that such an adjudication regarding the rights of inheritance can be made only on a civil suit filed for such adjudication before Civil Court of competent jurisdiction and have cited certain judgments. The Tribunal has entered into the area of discretion granted to the Board of Directors.

#### **Judgment**

The NCLAT observed that the Appellant Company have not assigned a tenable or sound reason as well as taken the correct approach to the issue of transmission. Further, the Companies Act, 2013 vide chapter IV specifically regulates the mechanism for Transfer & Transmission of Securities. Hence, as per Section 430 of the Companies Act, “Civil Court not to have Jurisdiction” on such issues. Hence, NCLAT upheld the order of NCLT, Bengaluru Bench and the Appeal is dismissed.

*For details:*

<https://nclat.nic.in/Useradmin/upload/18699541165fb63a8339a20.pdf>

November 19, 2020	<i>Registrar of Companies (Appellant) vs. Goouksheer Farm Fresh Pvt. Ltd. &amp; Ors. (Respondents)</i>	NCLAT
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The Tribunal’s order of ‘non levy of any fine / penalty’ to the defaulting restored Company because the Company is in ‘Corporate Insolvency Resolution Process’ is legally untenable, especially in the absence of any express provision under the Companies Act, 2013

#### **Fact of the case**

The Registrar of Companies (Appellant) had struck off the name of the 1<sup>st</sup> Respondent Company. The ‘Financial Creditor’ (M/s. P.M. Cold Storage Pvt. Ltd.) filed an application u/s 7 of the ‘I&B’ Code r/w Rule 4 of the Insolvency and Bankruptcy (Application to Adjudicating Authority) Rules, 2016 against the 1<sup>st</sup> Respondent (Corporate Debtor) to initiate ‘Corporate Insolvency Resolution Process’.

The 2<sup>nd</sup> Respondent in his capacity as an 'Interim Resolution Professional' filed Company Petition for restoration of the name of the 1<sup>st</sup> Respondent Company together with the prayer to allow the 2<sup>nd</sup> Respondent to comply with the formalities of filing the pending Annual Returns of the said Company (struck off) without the payment of the penal fees levied by the Appellant Authority.

The NCLT, Kolkata bench through order dated January 22, 2020 ordered restoration of the Company with the direction to the Appellant Authority not to levy any fee / penalty to the Company because of the fact that the Company is in 'Corporate Insolvency Resolution Process'.

The Appellant submitted that there is no enabling provision for 'Waiver of Fees/Penalty' under the Companies Act, 2013. A primordial fact is that, there is no express / enabling provision for waiver of fees / penalty under the Companies Act, 2013.

### **Judgment**

The NCLAT ordered ROC to restore the name of the 1<sup>st</sup> Respondent Company for completion of 'Corporate Insolvency Resolution Process' effectively. However, the further direction issued by the Tribunal, to the Appellant 'not to levy any fee / penalty' to the Company because Company is in 'Corporate Insolvency Resolution Process' is legally untenable, especially in the absence of any express provision under the Companies Act, 2013 and the relevant Rules made thereunder. Hence, the said direction of Tribunal is set aside. Accordingly, the Appeal is allowed.

*For details:*

<https://nclat.nic.in/Useradmin/upload/2186638105fb63cb945e7b.pdf>

<i>December 1, 2020</i>	<i>Fauzdar Motors (Petitioner) vs. Lok Nath Kushwaha &amp; Ors. (Respondent)</i>	<i>NCDRC</i>
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### **Delivery of Vehicle without the original documents is illegal : NCDRC**

#### **Fact of the case**

Lok Nath Kushwaha (complainant) had purchased a Tata Spacio Car on 18.02.2006 from Fauzdar Motors. The complainant, towards purchase of car, had paid Rs. 30000/- and Rs. 8100/- for registration, insurance, service charges etc. Petitioner had retained original documents of registration and insurance. The petitioner case was and continues to be that these were retained as the complainant had not paid the balance Rs.1,15,236/- to him. The District Forum, in its order dated 25.01.2007, accepted the complaint and directed petitioner to send the original documents to the complainant and also pay compensation. On appeal, the State Commission was in total agreement with the District Forum and dismissed the appeal. The State Commission held that they would not like to go into the claim and counter claim regarding outstanding amount if any, due. Once the vehicle has been delivered, the dealer cannot withhold the said documents on the plea of some dues still remaining to be paid. Now, the revision petition is filled before National Consumer Dispute Redressal Forum.

### **Judgment**

The national commission found no error apparent or any material infirmity in the impugned order of the State Commission. If Petitioner had sold the vehicle and accepted the arrangement implicit in the Ikararnama, it has to bear the consequences. A responsible dealer could not have delivered the

vehicle without the original documents. Such a delivery was illegal. The revision petition was dismissed after consideration with No order as to costs.

*For details:*

<https://www.scconline.com/blog/post/2020/12/08/ncdrc-delivery-of-vehicle-while-withholding-its-original-documents-would-amout-to-illegal-delivery-of-the-vehicle-commission-answers/>

<http://cms.nic.in/ncdrcusersWeb/GetJudgement.do?method=GetJudgement&caseidin=0%2F0%2FRP%2F1644%2F2008&dtofhearing=2020-12-01>

December 15, 2020	Samir Agrawal (Appellant) vs. Competition Commission of India & Ors (Respondents)	Supreme Court
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### **Ola, Uber do not facilitate cartelization or anti-competitive practices: Supreme Court**

#### **Fact of the case**

Samir Agrawal, an advocate, had approached the CCI alleging that Ola and Uber were engaging in anti-competitive practices. He had sought an inquiry under Section 26(2) of the Competition Act against the two companies. It was alleged that due to algorithmic pricing, neither riders are able to negotiate fares with individual drivers for rides that are booked through the apps, nor are the drivers able to offer any discounts. It was also contended that since Ola and Uber have greater bargaining power than riders in the determination of price, they are able to implement price discrimination. In its order passed in November 2018, the CCI held that the allegation as regards price discrimination was misplaced and unsupported by any evidence on record. The CCI order was challenged before the NCLAT and by an order passed in May 2020, the NCLAT too declined to grant relief. Thereafter, an appeal was preferred before the Supreme Court.

#### **Judgment:**

The Supreme Court refused to interfere with the orders of the Competition Commission of India (CCI) and the National Company Law Tribunal (NCLAT) which had held that Ola and Uber do not facilitate cartelisation or anti-competitive practices leading to inflated charges for riders. However, on the issue of locus, the Bench set aside the NCLAT finding that the petitioner Samir Agrawal was "not an informant" to move the CCI. It also ruled that Drivers are independent individuals who act independently of each other and consequently, Section 3 of the Competition Act would not be attracted.

*For details:*

<https://www.barandbench.com/news/litigation/ola-uber-facilitate-cartelization-anti-competitive-practices-supreme-court>

December 14, 2020	<i>Vidya Drolia &amp; Others (Appellants) vs. Durga Trading Corporation (Respondents)</i>	Supreme Court
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## Landlord - Tenant Disputes Under Transfer Of Property Act Arbitrable Except When Covered By Rent Control Laws: Supreme Court

### Fact of the case

In this case, the Supreme Court answered a reference made by a Division Bench in 2019, while considering the appeal against Calcutta High Court order appointing an arbitrator in a dispute between landlord and tenant. It was urged to determine the correctness of the judgment in *Himangni Enterprises v. Kamaljeet Singh Ahluwalia*, in which it was held that where the Transfer of Property Act, 1882 applied between landlord and tenant, disputes between the said parties would not be arbitrable.

### Judgement

The three judge bench overruled the dictum in *Himangi Enterprises* case to hold that tenancy related disputes under the Transfer of Property Act are arbitrable. The Bench based its decision on the fact that landlord-tenant disputes are not actions in rem but pertain to subordinate rights in personam that arise from rights in rem. The Supreme Court further held an award passed in such disputes can be executed and enforced like a decree of the civil court. The provisions of the Transfer of Property Act do not expressly or by necessary implication bar arbitration. It further clarified that landlord-tenant disputes covered and governed by rent control legislation would not be arbitrable when specific court or forum has been given exclusive jurisdiction to apply and decide special rights and obligations. The Court overruled the ratio in *N. Radhakrishnan v. Maestro Engineers and others (2010)* inter alia observing that allegations of fraud can be made a subject matter of arbitration when they relate to a civil dispute. The Court set aside the Full Bench decision of the Delhi High Court in the case of *HDFC Bank Ltd v. Satpal Singh Bakshi* which holds that the disputes which are to be adjudicated by the DRT under the DRT Act are arbitrable. They are non-arbitrable. The judgment also laid down a four-fold test to determine arbitrability.

### For details

<https://www.livelaw.in/top-stories/landlord-tenant-disputes-under-transfer-of-property-act-arbitrable-arbitration-rent-control-laws-supreme-court-167223>

January 05, 2021	<i>Naresh Kumar Poddar vs. Union of India, through Secretary, Ministry of Corporate Affairs and another</i>	Calcutta High Court
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### Fact of the case:

A petition was moved by the director of a Private Limited Company challenging his disqualification w.e.f. November 1, 2016 till October 3, 2021 by the impugned notice dated April 7, 2017, due to non-filing of the annual return and financial statement of the company for three financial years.

### The legal questions posed in the present case are:

- Whether Section 164(2)(a), as introduced by the 2014 Amendment and the proviso to Section 167(1)(a), as introduced by the 2018 Amendment, are prospective, retrospective or retroactive in nature?

- Whether there is any scope for giving opportunity to the defaulting company or its directors to represent against the disqualification under Section 164, read with Section 167 of the Companies Act, 2013 Act?

### **Judgment**

The Calcutta High Court allowed the writ petition filed by a director and set aside the deactivation of DIN by virtue of the notice dated April 7, 2017. The court observed that, Section 164(2)(a), as introduced by the 2014 Amendment, and the proviso to Section 167(1)(a), as introduced by the 2018 Amendment, to the Companies Act, 2013 are prospective in operation, opining that their retrospective application would be anomalous, absurd, unreasonable and could potentially ruin the economy.

*For details:*

[https://images.assettype.com/barandbench/2021-01/703e395f-a2f7-452d-a610-cf83facf3c08/Naresh\\_Kumar\\_Poddar\\_v\\_Union\\_of\\_India\\_through\\_Secretary\\_Ministry\\_of\\_Corporate\\_Affairs\\_and\\_another.pdf](https://images.assettype.com/barandbench/2021-01/703e395f-a2f7-452d-a610-cf83facf3c08/Naresh_Kumar_Poddar_v_Union_of_India_through_Secretary_Ministry_of_Corporate_Affairs_and_another.pdf)

January 07, 2021	In the matter of Josco Jewellers Private Limited	NCLT, Kochi Bench
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**The NCLT allowed Reduction of Paid Up Share Capital Structure of Josco Jewellers Private Limited from Rs. 120 Crores to Rs. 1 Crore**

### **Fact of the case**

The Petitioner Company had filed a petition under Section 66 of the Companies Act, 2013 against the Registrar of Companies, Kerala seeking reduction of its share capital from Rs. 120 crores to Rs. 1 crore.

The decision to reduce the company's share capital was taken subsequent to the transfer of the jewellery retail business to Josco Bullion Traders Private Limited. After a review of the capital structure, the Board of Directors of the Petitioner Company observed that the company's paid up capital was more than the required amount for the existing business of the company and that it would be beneficial for the company to remit back its excess capital by way of reduction of share capital. Therefore, the Board of Directors passed a resolution approving the proposed reduction of share capital. Further, a Special Resolution has also been passed in the Extra Ordinary General Meeting in accordance with Section 66(1) of the Companies Act, 2013.

When the Registrar of Companies was called upon to respond, he submitted that the Regional Director is the competent authority by virtue of the powers delegated to him by the Central Government to decide on the matter. After the Regional Director filed a report giving his approval to the capital reduction, the NCLT proceeded to allow the prayer.

### **Judgment**

The National Company Law Tribunal, Kochi Bench held that since all the requisite statutory procedures have been fulfilled and no objections has been received from any shareholders, the company petition filed for reduction of its share capital is hereby allowed.

*For details:*

<https://nclt.gov.in/sites/default/files/January2021/final-orders-pdf/CP-06-KOB-2020.pdf>

January 08, 2021	<i>K P And Sons &amp; Ors. (Appellant) vs. Union of India &amp; Ors. (Respondent)</i>	Delhi High Court
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**Sections 69 and 132 are not arbitrary and unreasonable but are constitutional and fall within legislative competence of Parliament**

**Facts of the case:**

A petition filed in the Delhi High Court claimed that Section 69 being of criminal nature, it could not have been enacted under Article 246A of the Constitution. A person under the CGST Act can only be arrested, if the amount of tax evasion is more than Rs. 2 crore. All offences in which tax evasion is less than Rs. 5 crore are bailable and only grave offences involving tax evasion of Rs. 5 crore and above are non-bailable and cognisable.

**Judgment:**

Delhi High Court upholds the constitutional validity of Sections 69 & 132 of CGST Act, states that even if these sections could not have been enacted in pursuance to power under Article 246A of Constitution, they could have been enacted under Entry 1 of List III, as laying down of a crime and providing for its punishment is criminal law. The Court is of the prima facie view that in either option both Sections 69 and 132 of Act are constitutional and fall within the legislative competence of Parliament.

**For details:**

[http://164.100.69.66/jupload/dhc/MMH/judgement/09-01-2021/MMH08012021CW54542020\\_151304.pdf](http://164.100.69.66/jupload/dhc/MMH/judgement/09-01-2021/MMH08012021CW54542020_151304.pdf)

December 22, 2020	<i>Bishal Jaiswal (Appellant) vs. Asset Reconstruction Company (India) Ltd. &amp; Anr. (Respondents)</i>	NCLAT
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**Entries in the Balance Sheet do not amount to Acknowledgment of Debt under Section 18 of the Limitation Act, 1963.**

**Fact of the Case:**

An appeal was filed by the Corporate Debtor against the order passed by the NCLT, Kolkata bench admitting the insolvency petition filed by a consortium of lenders. The corporate debtor contended that the accounts were declared as NPA in 2014 and application under Section 7 of the Insolvency and Bankruptcy Code, 2016 was filed in 2018 after a delay of around 5 years, hence the same was barred by limitation. Financial Creditor, on the other hand, contended that the right to sue for the first time accrued to it upon classification of the account as NPA but thereafter, the Corporate Debtor had admitted, time and again, and unequivocally acknowledged its debt in the Balance Sheets. Hence, the right to sue stood extended in terms of Section 18 of the Limitation Act, 1963.

**Issue:**

Whether entries in books of accounts will not amount to acknowledgment of debt under Section 18 of the Limitation Act, 1963?

**Order:**

The NCLAT on the basis of the authoritative pronouncements and binding precedents of the Supreme Court arrived at the conclusion that for purpose of computing the period of limitation under Section 7 of the Insolvency and Bankruptcy Code, 2016 (I&B Code), the date of default is NPA. It referred to

the Supreme Court's decision in *Babulal Vardharji Gurjar vs. Veer Gurjar Aluminum Industries Ltd. & Anr.*, whereby it was observed that Section 18 of the Limitation Act, 1963 would have no application to proceedings under I&B Code. Therefore, the issue raised as regards acknowledgement of liability by reflection in the Balance Sheet/ Annual Return would be irrelevant.

For details:

<https://nclat.nic.in/Useradmin/upload/11448957295fe1d4154cc9f.pdf>

January 19, 2021	RHI India Private Limited & Ors. (Appellants) vs. Union of India (Respondent)	NCLAT
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**Section 232(6) of the Companies Act, 2013 enables the companies to choose and state in the scheme of amalgamation an 'appointed date'**

Appellants presented a scheme of amalgamation for approval of the Tribunal for merging 1st and 2nd appellant in 3rd appellant. The rationale for the scheme is simplification of the corporate structure. The NCLT Mumbai bench, has rejected the scheme filed by the Appellants stating that the appointed date of the Scheme is January 01, 2019 whereas the Valuation Date is July 31, 2018, putting its reliance on the case of *East West Pipelines (demerged Company) and Pipeline Infrastructure Pvt. Ltd. (the resultant Company)*, and ordered that the appointed date can be the date on which the Valuation Report was prepared and the Fairness Opinion was given by the Merchant Banker. Since the Transferee Company will be allotting the shares which are listed and being regularly traded on the Stock Exchanges, on consideration, the share exchange ratio would undergo change significantly in view of the market price on which the cut-off date i.e. appointed date is considered.

The NCLAT observed that the Ministry of Corporate affairs, General Circular dated August 21, 2019 has clarified that section 232(6) of Companies Act, 2013 enables the companies in question to choose and state in the scheme an 'appointed date'. This date may be a specific calendar date or may be tied to the occurrence of an event such as grant of license by a competent authority or fulfilment of any preconditions agreed upon by the parties, or meeting any other requirement as agreed upon between the parties, etc., which are relevant to the scheme. Therefore, NCLT have wrongly relied on the abovementioned judgement. The NCLT while passing the impugned order have overreached its scope of Judicial Intervention in determination of the Scheme of Amalgamation u/s 230-232 of the Companies Act, 2013. Therefore, the present appeal was allowed.

For details:

<https://nclat.nic.in/Useradmin/upload/2436495356006a6fc78878.pdf>

## Crucial Judgments of 2020

The year 2020 will go down in history as one of the most difficult years the Supreme Court of India has witnessed. With the justice delivery system initially being brought to a standstill by the COVID-19 pandemic, the Court admirably adapted by using technology, something it has been loath to do in the past.

Even though only matters of pressing importance were taken up for hearing for the better part of 2020, the Supreme Court passed a number of important judgments in a wide array of topics of law.

For details:

<https://www.barandbench.com/columns/supreme-court-review-crucial-judgments-of-2020>

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# Terminology

## Info Capsule Series 5

- **Abandonment Value**

Abandonment value is the equivalent cash value of a project if it is liquidated immediately after reducing all debts which need to be repaid. Abandonment value is also known as liquidation value of an asset. The general rule for deciding to discontinue the product is that if the product's salvage value is greater than the Net Present Value (NPV) of its expected cash flows, the project is abandoned.

- **Abnormal Accruals**

The difference between accrued income and cash flows (adjusted for typical accruals that occur during the application of accounting standards). Abnormal accruals are sometimes measured as a test of earnings quality.

- **Accrual Basis Accounting**

An accounting method in which revenues (or income) are entered into the accounting system when they are payable (even though the money may not have been received yet), and expenses are recognized when the commitment to pay is made (even though no payment may have occurred yet). Compare with Cash Basis Accounting.

- **Alpha**

A measure of the difference between a fund's actual returns and its expected performance, given its level of risk as measured by beta. A positive alpha figure indicates the fund has performed better than its beta would predict. In contrast, a negative alpha indicates the fund's underperformance, given the expectations established by the fund's beta. Alpha, beta and R-squared are considered MPT (Modern Portfolio Theory) statistics and are based on a least-squared regression of the fund's return over Treasury bills (called excess return) and the excess returns of the fund's benchmark index.

- **Amortization**

A debt may be amortized with a specific schedule for paying back the principal and interest in equal payments by the end of the loan term.

- **Angel Investor**

An angel investor (also known as a private investor, seed investor or angel funder) is a high-net-worth individual who provides financial backing for small startups or entrepreneurs, typically in exchange for ownership equity in the company. Often, angel investors are found among an entrepreneur's family and friends.

- **Annual Percentage Rate**

The business finance term and definition APR represents the yearly real cost of a loan including all interest and fees. The total amount of interest to be paid is based on the original amount loaned, or the principal, and is represented in percentage form. When shopping for the right loan for your small business, you should know the APR for the loan in question. This figure can be very helpful in comparing one financial tool with another since it represents the actual cost of borrowing.

- **Brand positioning**

Brand positioning is the way you differentiate yourself from your competitors and how consumers identify and connect with your brand. It's comprised of the key qualities and values that are synonymous with your company. Brand positioning can be conveyed through a variety of means including tone and voice, visual design and the way your company represents itself in person and on social media.

- **Burn Rate**

The ratio of shares granted through a company's equity-based compensation plan and the number of shares outstanding (or authorized). Because equity compensation dilutes the ownership interest of shareholders, much attention is paid to the rate at which new shares are issued. Proxy advisory firms have proprietary models that calculate "appropriate" maximum burn rates, but there is no evidence that these models are correct (i.e., maximize shareholder value).

- **Business Judgment Rule**

A judicial doctrine which shields corporate officers and directors from personal liability for actions taken in good faith and with reasonable care.

- **CAC 40**

The CAC 40 is a benchmark French stock market index. As name suggests the index comprises of the 40 most significant values among the 100 highest market caps on the Paris Bourse which has now been changed to Euronext Paris). The CAC 40 index was launched on 31 December 1987 with base value of 1000. The index's weighting system was changed from total market capitalisation to free float market cap only on 1st December 2003.

- **Centre of Predominant Economic Interest**

An institutional unit has a predominant centre of economic interest in an economic territory when there exists, within the economic territory, some location, dwelling, place of production, or other premises on which or from which the unit engages and intends to continue engaging, either indefinitely or over a finite but long period of time, in economic activities and transactions on a significant scale. The location need not be fixed so long as it remains within the economic territory. In most cases, it is reasonable to assume that an institutional unit has a predominant centre of economic interest in the territory if the unit has already engaged in economic activities and transactions on a significant scale in the country for one year or more, or if the unit intends to do so.

- **Collateralized Debt Obligation (CDO)**

A collateralized debt obligation (CDO) is a complex structured finance product that is backed by a pool of loans and other assets and sold to institutional investors. A CDO is a particular type of derivative because, as its name implies, its value is derived from another underlying asset. These assets become the collateral if the loan defaults.

- **Comparable Company Analysis**

Comps or Comparable Company Analysis involves identifying valuation multiples from comparable listed companies and applying these to the financials of the company to be valued.

- **Committed Credit Line**

A committed credit line is a binding agreement between a lender and the borrower. It specifies the terms of the line of credit, including interest rate, maximum amount and repayment terms. Once in force the borrower can determine when (or if) he is to take possession of the loan amount. The financial institution is obligated to lend money to the borrower, provided that the borrower continues to meet the conditions. Lenders may or may not require the borrower to pay a fee based on the amount that can be borrowed.

- **Corporate Defense Management (CDM)**

The multi-dimensional framework employed by an organization to manage the critical components which constitute an organization's corporate defense program. This includes the integrated management of its governance, risk, compliance, intelligence, security, resilience, controls, and assurance activities.

- **Corporate environmental integrity**

Emphasizes an organization's responsibility to manage its processes and products so as to minimize their impact on the physical environment.

- **Cost-push inflation**

Cost-push inflation occurs when production input costs - wages, raw materials - rise. Producers pass the cost on to consumers through price rises.

- **Critical success factor**

A critical success factor is an element that must occur in order for a business to achieve its ultimate goal.

- **Dead-hand Provision**

The provision requires that anti-takeover defenses can only be cancelled by a vote of the board, so acquirers who want to avoid the consequences of the defenses must receive approval from the board before initiating a takeover.

- **Debt Trap**

A debt trap is a situation in which a borrower is led into a cycle of re-borrowing, or rolling over, their loan payments because they are unable to afford the scheduled payments on the principal of a loan. These traps are usually caused by high-interest rates and short terms.

- **Demutualisation**

Demutualisation is a process that changes a mutual or co-operative association into a public company by converting the interests of the members into shareholdings. These holdings can then be traded like the shares of a company. The idea is to change the structure of exchanges that were originally formed as trusts.

- **Deontic ethics**

A conventional approach to ethics that encourages organizations to view business ethics in terms of outlining rights, duties and responsibilities to stakeholders, often in the form of codes of conduct (cf. aretaic ethics).

- **Direct Benefit Transfer (DBT)**

With the aim of reforming Government delivery system by re-engineering the existing process in welfare schemes for simpler and faster flow of information/funds and to ensure accurate targeting of the beneficiaries, de-duplication and reduction of fraud Direct Benefit Transfer (DBT) was started on 1st January, 2013. DBT Mission was created in the Planning Commission to act as the nodal point for the implementation of the DBT programmes.

First phase of DBT was initiated in 43 districts and later on 78 more districts were added in 27 schemes pertaining to scholarships, women, child and labour welfare. DBT was further expanded across the country on 12.12.2014. 7 new scholarship schemes and Mahatma Gandhi National Rural Employment Guarantee Act (MGNREGA) was brought under DBT in 300 identified districts with higher Aadhaar enrolment.

- **Dow Jones Industrial Average**

The Dow Jones Industrial Average (DJIA), also known as the Dow 30, is a stock market index that tracks 30 large, publicly-owned blue chip companies trading on the New York Stock Exchange (NYSE) and the NASDAQ. The Dow Jones is named after Charles Dow, who created the index back in 1896 along with his business partner Edward Jones. When reporters on television networks say the phrase "The market is up today," they are generally referring to the Dow.

- **Enterprise Value Multiples**

A ratio used to determine the value of a company. The enterprise value multiple looks at a company as a potential acquirer would because it takes debt into account - an item which other multiples like the P/E ratio do not include. An example of an enterprise value multiple is EV/EBITDA.

- **Estemple**

An acronym to denote major macro-environmental pressures upon business. It stands for Economic, Social, Technological, Media, Ecological, Political, Legal, Ethical drivers of environmental change.

- **Ethical investment**

Investments made in companies that are specifically chosen for their environmental or moral credentials. Defence contractors, or companies known to use contentious labour practices, will generally be avoided by ethical investors

- ***Ex facie***

Latin for "on the face [of it]," is a legal term typically used to note that a document's explicit terms are defective without further investigation.

- **Green Shoe Option**

A green shoe option is an over-allotment option. In the context of an initial public offering (IPO), it is a provision in an underwriting agreement that grants the underwriter the right to sell investors more shares than initially planned by the issuer if the demand for a security issue proves higher than expected.

- **Hampel Report**

The Report of the Committee, chaired by Sir Ronnie Hampel, to review the implementation of the recommendations of both the Cadbury and Greenbury Committees. The Hampel Report was produced in 1998.

*For more details:*

*[www.ecgi.org/codes/documents/hampel.pdf](http://www.ecgi.org/codes/documents/hampel.pdf)*

- **High-water Mark**

A clause that disallows a hedge fund from assessing a performance fee (known as “the carry”) unless the investor’s account value is at its highest level. High-water marks prevent hedge funds from double-charging if the fund’s value rises, falls, and then rises again.

- **Impact Cost**

Impact cost is the cost that a buyer or seller of stocks incurs while executing a transaction due to the prevailing liquidity condition on the counter. In other words, it represents the cost of executing a transaction of a given security, with a specific predefined order size, at any given point in time.

- **Innovators Growth Platform**

Securities and Exchange Board of India vide its notification dated April 05, 2019 amended the (Issue of Capital and Disclosure Requirements) (Second Amendment) Regulations, 2019 and launched ‘Innovators Growth Platform’ erstwhile known as ‘Institutional Trading Platform’ for listing of issuers which are in intensive use of technology, information technology, intellectual property, data analytics, bio-technology or nano-technology to provide products, services or business platforms with substantial value addition.

- **Key Outcome Indicator (KOI)**

Often used in the public sector to describe key performance indicators, those metrics most critical to gauging progress toward objectives. KOIs are metrics that are: tied to an objective; have at least one defined time-sensitive target value; and have explicit thresholds which grade the gap between the actual value and the target.

- **Management Entrenchment**

The degree to which management is shielded from the market forces and performance standards to which management teams are typically held accountable. An entrenched management is able to retain employment, despite poor performance or opposition from the board, shareholders, and/or stakeholders.

- **Matrix Management**

Matrix management is commonly used in organizations if they have a need to share resources across functions (i.e., different departments). In a matrix management system, an individual has a primary report-to boss and also works for one or more managers, most typically on projects.

- **Modified Internal Rate of Return (MIRR)**

The modified internal rate of return (MIRR) assumes that positive cash flows are reinvested at the firm's cost of capital and that the initial outlays are financed at the firm's financing cost. By contrast, the traditional internal rate of return (IRR) assumes the cash flows from a project are reinvested at the IRR itself. The MIRR, therefore, more accurately reflects the cost and profitability of a project.

- **Passive Activity Loss**

Loss generated from activities involved in the conduct of a trade or business in which the taxpayer does not materially participate.

- **Pro Forma Shares Outstanding**

The number of shares outstanding after the transaction has closed and additional equity has been issued.

- **Producer Price Index (PPI)**

The producer price index (PPI), published by the Bureau of Labor Statistics (BLS), is a group of indices that calculates and represents the average movement in selling prices from domestic production over time.

- **Social Responsibility Investment Funds**

Mutual funds that cater to investors who value specific social objectives and want to invest only in companies whose practices are consistent with those objectives. Examples include funds that advocate fair labour practices, humanitarianism, environmental sustainability, or the promotion of religious or moral values.

- **Spin Off**

A spinoff is the creation of an independent company through the sale or distribution of new shares of an existing business or division of a parent company. The spin-off companies are expected to be worth more as independent entities than as parts of a larger business.

- **Sustaining Capital Reinvestment**

The periodic capital outlay required to maintain operations at existing levels, net of the tax shield available from such outlays.

- **Swiss Challenge**

A Swiss Challenge is a method of bidding, often used in public projects, in which an interested party initiates a proposal for a contract or the bid for a project. The government then puts the details of the project out in the public and invites proposals from others interested in executing it.

- **Technical Analysis**

Technical analysis is a means of examining and predicting price movements in the financial markets, by using historical price charts and market statistics. It is based on the idea that if a trader can identify previous market patterns, they can form a fairly accurate prediction of future price trajectories. It is one of the two major schools of market analysis, the other being fundamental analysis. Whereas fundamental analysis focuses on an asset's 'true value', with the meaning of external factors and intrinsic value both considered, technical analysis is based purely on the price charts of an asset. It is solely the identification of patterns on a chart that is used to predict future movements.

- **Total Addressable Market (TAM)**

Occasionally referred to as total available market) is a form of market sizing that enables a business to define the holistic revenue opportunity offered from its product or service. It is an exercise that will shed light towards the level of effort and funding to be put into a new business line, because it provides guidelines about the largesse of its economic potential.

- **Wolf-pack Strategy**

A strategy where multiple hedge funds, each with minority positions in a company, work together to force change on a target company

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# Union Budget

## 2021-22

### Info Capsule Series 5

While, Union Budget 2021 is mainly focussing on bringing the economy back to shape after the pandemic, it also covers several proposals including exemption to senior citizens from filing income tax returns, new rules for removal of double taxation for NRIs, reduction in the time period for reopening of tax assessments, extension of tax holiday for startups, consolidation of securities laws into one single Securities Code etc. The Budget proposals rest on six pillars - health and well-being, physical, financial capital and infrastructure, inclusive development for aspirational India, reinvigorating human capital, innovation and R&D and minimum government and maximum governance.

#### **Highlights of the Union Budget 2021-22**

##### **1. Health & Well-being**

- The investment on Health Infrastructure in this Budget has increased substantially. It has been stated that “Progressively, as institutions absorb more, we shall commit more”.
- Taking a holistic approach to Health, the focus in this budget is on strengthening three areas: Preventive, Curative, and Wellbeing.
- A new centrally sponsored scheme, PM Atma Nirbhar Swasth Bharat Yojana, will be launched with an outlay of about ₹64,180 crores over 6 years. This will be in addition to the National Health Mission.
- To strengthen nutritional content, delivery, outreach, and outcome, the Supplementary Nutrition Programme and the Poshan Abhiyan will be merged and the Mission Poshan 2.0 will be launched.
- Keeping in view the WHO’s stress upon importance of clean water, sanitation and clean environment, Jal Jeevan Mission (Urban) will be launched to supply water in all 4,378 Urban Local Bodies with ₹2.86 crores household tap connections, as well as liquid waste management in 500 AMRUT cities. It will be implemented over 5 years, with an outlay of ₹2,87,000 crores.
- The Urban Swachh Bharat Mission 2.0 will be implemented with a total financial allocation of ₹1,41,678 crores over a period of 5 years from 2021-2026.
- An amount of ₹2,217 crores for 42 urban centres with a million-plus population has been provided in this budget to tackle the burgeoning problem of air pollution.

- A voluntary vehicle scrapping policy has been announced to phase out old and unfit vehicles for encouraging fuel-efficient, environment friendly vehicles, thereby reducing vehicular pollution and oil import bill. Under the policy vehicles would undergo fitness tests in automated fitness centres after 20 years in case of personal vehicles and after 15 years in case of commercial vehicles.
- The Pneumococcal Vaccine, a Made in India product, which is presently limited to only 5 states will be rolled out across the country.
- ₹35,000 crores provided for Covid-19 vaccine in BE 2021-22 and commitment to provide further funds was made, if required.
- The Budget outlay for Health and Wellbeing is ₹2,23,846 crores in BE 2021-22 as against this year's BE of ₹94,452 crores an increase of 137 percentage.

## 2. Physical, Financial Capital and Infrastructure

- Production Linked Incentive (PLI) schemes to create manufacturing global champions for an AtmaNirbhar Bharat have been announced for 13 sectors. An amount of ₹1.97 lakh crores, over 5 years, starting this FY is proposed to nurture global manufacturing champions and increase jobs for the youth. In addition, a Mega-Investment Textiles Parks (MITRA) to be launched to create global champions in exports. 7 Textile Parks will be established over 3 years.
- It is proposed to introduce a bill to set up a Development Financial Institution (DFI) with the ambition to have a lending portfolio of at least ₹5 lakh crores for this DFI in three years time.
- To further ease access of finance, Debt Financing of InVITs and REITs by Foreign Portfolio Investors will be enabled by making suitable amendments in the relevant legislations.
- A “National Monetization Pipeline” of potential brownfield infrastructure assets will be launched. An Asset Monetization dashboard will also be created for tracking the progress and to provide visibility to investors.
- The capital expenditure for the year 2021-22 will be ₹5.54 lakh crore which is 34.5% more than the BE of 2020-21. Further, more than ₹2 lakh crores will be allocated for capital expenditure in the states and other autonomous bodies.
- To augment road infrastructure, following economic corridors are planned:
  - Tamil Nadu: 3500 km with an investment of ₹1.03 lakh crores
  - Kerala: 1100 km with an investment of ₹65,000 crores
  - West Bengal: 675 km with an investment of ₹25,000 crores
- Also, National highway project of around ₹19,000 crores is in progress in Assam. Overall, the FM proposes a total of ₹1,18,101 lakh crore for Ministry of Road Transport and Highways.
- An Infra-National Rail plan to prepare a future rail system in India by 2030 has been proposed to bring down logistics cost.
- The next few phases of metro projects will be taken up in Metro cities. Two new technologies i.e., ‘MetroLite’ and ‘MetroNeo’ will be deployed to provide metro rail systems at much lesser cost with same experience, convenience and safety in Tier-2 cities and peripheral areas of Tier-1 cities.
- A revamped reforms-based result-linked power distribution Sector Scheme will be launched with an outlay of ₹3,05,984 Crores for assistance to Discoms for Infrastructure creation.

- A scheme to promote flagging of merchant ships in India will be launched by providing subsidy support to Indian shipping companies in global tenders floated by Ministries and CPSEs. An amount of ₹1624 crores will be provided over 5 years. Capacity for recycling of ships will be developed by 2024 which will create 1.5 Lakh Jobs for youth.
- Ujjwala Scheme which has benefited 8 crores households will be extended to cover 1 crores more beneficiaries. Also, 100 more districts will be added in next 3 years to the City Gas Distribution network.
- **The provisions of SEBI Act, 1992, Depositories Act, 1996, Securities Contracts (Regulation) Act, 1956 and Government Securities Act, 2007 will be consolidated into a rationalized single Securities Markets Code.**
- To instil confidence amongst the participants in the Corporate Bond Market during times of stress and to generally enhance secondary market liquidity, a permanent institutional framework will be created.
- To establish a system of regulated gold exchanges in the country, SEBI will be notified as the Regulator and Warehousing Development and Regulatory Authority will be strengthened to set up a commodity market eco system arrangement including vaulting, assaying, logistics etc. in addition to warehousing.
- It is proposed to introduce an investor charter as a right of all financial investors across all financial products.
- ₹1,000 crores grant to the Solar Energy Corporation of India for the growth of the Solar Energy Sector.
- **It is proposed to amend the Insurance Act, 1938 to increase the permissible FDI limit from 49% to 74% in Insurance Companies and allow foreign ownership and control with safeguards.**
- A New Asset Reconstruction Company is to be set up to provide resolution to stressed assets in PSUs.
- It is proposed to amend the DICGC Act, 1961 to streamline its provisions where the depositors of the bank can get easy and time bound access to deposits through insurance in the case of a stressed bank.
- The de-criminalization of the Companies Act, 2013 is complete and now the decriminalization of LLP Act, 2008 will be taken up.
- It is proposed to modify the definition of Small Companies: by increasing their thresholds for Paid up capital from “not exceeding ₹50 Lakh” to “not exceeding ₹2 Crore” and turnover from “not exceeding ₹2 Crore” to “not exceeding ₹20 Crore” to reduce compliance burden.
- For Start-ups and Innovators, it is announced that the OPC can be incorporated without a limit for turnover or paid-up capital. This also allows NRIs to incorporate OPC in India. NCLT framework will be strengthened to ensure faster resolution of cases. A special framework for MSME shall also be introduced.
- **MCA 21 Version 3.0 to be introduced with additional modules for e-scrutiny, e-adjudication, e-consultation and compliance management.**
- FM in her speech stated that the IPO of the LIC will be carried out in FY 2021-22. Also, for the disinvestment strategy, two public sector banks and 1 general insurance company will be taken up with requisite legislative amendments.

- On the recommendation of the Fifteenth Finance Commission, it is proposed to rationalize and reduce centrally sponsored schemes to enable consolidation of outlays for better impact.
- It is proposed to set up a separate Administrative Structure to further streamline the 'Ease of Doing Business' for Cooperatives, this will give a boost to development of Multi- State Cooperatives.

### 3. Inclusive Development for Aspirational India

- Inclusive Development for Aspirational India covers following broad points-
  - Agriculture and Allied sectors,
  - farmers' welfare and rural India,
  - migrant workers and labour, and
  - financial inclusion.
- In the Agriculture sector, the MSP regime has undergone a change to provide 1.5 times the product cost across all commodities.
- SWAMITVA Scheme (providing record of rights to property owners in villages) is proposed to be extended to all states/UTs during FY22.
- Proposed to enhance the allocation to the Rural Infrastructure Development Fund from ₹30,000 crores to ₹40,000 crores.
- The Micro Irrigation Fund, with a corpus of ₹5,000 crores has been created under NABARD which is proposed to be doubled by augmenting it by another ₹5000 crores.
- The FM proposes to enhance the scope of the '*Operation Green Scheme*' to include 22 perishable products that is presently applicable to tomatoes, onions, and potatoes.
- ₹1.68 crore farmers have registered and ₹1.14 lakh crores of trade value has been carried out through e-NAMs. 1,000 more mandis will be integrated with e-NAM.
- The Government will take up the development of fishing harbours and fish landing centres along the banks of rivers and waterways.
- To promote seaweed cultivation, a Multipurpose Seaweed Park to be established in Tamil Nadu.
- The "*1 Nation-1 Ration Card*" Scheme has been implemented by 32 States and UTs through which beneficiaries can claim their rations anywhere in the country.
- It is proposed to launch a portal that will collect relevant information on gig, building, and construction-workers among others.
- To further facilitate credit flow under the scheme of Stand Up India for SCs, STs, and women, it is proposed to reduce the margin money requirement from 25% to 15%, and to also include loans for activities allied to agriculture.
- FM have provided ₹5,700 crores to MSME sector, more than double of this year's BE.

### 4. Reinvigorating Human Capital

#### *School Education*

- More than 15,000 schools will be qualitatively strengthened to include all components of the National Education Policy.
- 100 new Sainik Schools will be set up in partnership with NGOs/private schools/states.

### **Higher Education**

- The Government will bring legislation to implement the setting-up of the Higher Education Commission of India.
- For accessible higher education in Ladakh, Central University in Leh is proposed to be set-up.

### **Scheduled Castes and Scheduled Tribes Welfare**

- Target of establishing 750 Eklavya model residential schools in tribal areas.
- It is proposed to increase the allocation for the unit cost of each Eklavya school from ₹20 crores to ₹38 crores, and for hilly and difficult areas, it has been increased to ₹48 crores.
- ₹35,219 crore has been allotted for 6 years till 2025-2026 as the government is set to revamp Post-Matric scholarships scheme to help 4 crore Scheduled Caste students.

### **Skilling**

- It is proposed to amend the Apprenticeship Act with a view to further improve apprenticeship opportunities for the youth. The National Apprenticeship Training Scheme will be realigned for providing post-education apprenticeship, training of graduates and diploma holders in Engineering. Over ₹3,000 crores will be provided for this purpose.
- To benchmark skill qualifications, assessment, and certification, accompanied by the deployment of certified workforce, various initiatives like partnership with UAE, collaborating Training Inter Training Programme (TITP) with Japan are underway and such type of initiatives are also contemplated with many more countries.

### **5. Innovation and R&D.**

- As part of the Gaganyaan mission activities, four Indian astronauts are being trained on Generic Space Flight aspects, in Russia. The first unmanned launch is slated for December 2021.
- Deep Ocean Mission with a budget outlay of more than ₹4,000 crores will cover deep ocean survey exploration and projects for the conservation of deep sea bio-diversity.
- The New Space India Limited (NSIL), a PSU under the Department of Space will execute the PSLV-CS51 launch, carrying the Amazonia Satellite from Brazil, along with a few smaller Indian satellites.
- A new initiative - National Language Translation Mission (NTLM) will enable the wealth of governance-and-policy related knowledge on the Internet being made available in major Indian languages.
- To give a further boost to digital transactions, ₹1,500 crores earmarked for a proposed scheme that will provide financial incentive to promote digital modes of payment.

### **6. Minimum Government and Maximum Governance**

- Initiation of numerous measures to bring reforms in Tribunals for speedy delivery of justice. Continuing with the reform process, further measures will be initiated in order to rationalize the functioning of Tribunals.
- Introduction of National Commission for Allied Healthcare Professionals Bill in Parliament, with a view to ensure transparent and efficient regulation of the 56 allied healthcare professionals.
- To bring transparency, efficiency and governance reforms in the nursing profession, the National Nursing and Midwifery Commission Bill will be introduced by the government.

- To foster ease of doing business, a system for swift resolution of contractual disputes has been proposed, especially for those business organisations who deal with government or central Public Sector Enterprises (PSEs).
- India to witness first 'Digital Census', as the forthcoming census will be digital. An amount of ₹3,578 crores have been allocated in the year 2021-2022
- To grant ₹300 crores to Goa for commemorating 50 years of liberation from Portuguese rule.
- To grant ₹1,000 crores for the welfare of tea workers particularly women and their children in Assam and West Bengal.

### Direct Tax

- Relief given to the senior citizen, having only pension and interest income from filing Income Tax Return. However the paying banks will still require to deduct TDS (if applicable).
- Income Tax Reassessment Limit has been decreased from 6 years to 3 years. But in the case of Serious tax evasion, where evidence is available for concealment of income of ₹50 lakh or more, then reopening can be done within 10 years with approval of Principal Chief Commissioner.
- The budget 2021 proposes to constitute a faceless Dispute Resolution Committee for small tax payers to ensure efficiency, transparency and accountability. Small Taxpayers with a taxable income upto ₹50 lacs and disputed income upto ₹10 Lacs shall be eligible to approach the committee.
- Faceless ITAT center will be set up. In this case, personal hearings if required will be conducted through VC.
- Tax Audits limit has been enhanced from ₹5 Cr to ₹10 Cr in case of digital transactions (up to 95% Digital Transactions).
- The Advance tax liability in case of dividend income will arise only after the declaration/payment of dividend.
- Affordable housing deduction of ₹1.5 Lacs (interest on housing loan) will now be available for a loan taken till 31.3.2022.
- The deduction u/s 80IBA of the Income Tax Act, 1961 extended till 31.3.2022.
- In order to ease compliance for the tax payer, details of salary income, tax payments, TDS etc. already come prefilled in Income Tax Returns. To further ease filing of Income Tax Returns, details of Capital Gain from listed securities, dividend income, and interest from banks, post office will also be prefilled.
- Under Section 10(23C) of the Income Tax Act, 1961, Exemption Limit for Charitable Trusts, educational institutes and hospitals has been increased from ₹1 Cr to ₹5 crores.
- Late deposit of employee contribution of PF will now be not allowed as deduction.
- In order to incentivize Startups in the country, the eligibility for claiming tax holiday for startups is proposed to be extended by 1 more year, i.e., till March 31<sup>st</sup>, 2022. Further the Capital Gain exemptions for investment in start-up has also been extended till March 31<sup>st</sup>, 2022.

### Indirect Tax

#### ➤ GST

Goods and Services Tax is now four years old. GST has made record collections in the last few months. The measures taken in GST which further simplified it include:

- i. Nil return through SMS,
  - ii. Quarterly Return and Monthly Payment (QRMP) for small taxpayers,
  - iii. Electronic invoice system,
  - iv. Validated input tax statement,
  - v. Pre-filled editable GST return,
  - vi. Staggering of returns filing, and
  - vii. Deep analytics and Artificial Intelligence (AI) deployed to identify tax evaders and fake billers.
- Custom Duty Rationalisation: Rationalisation of customs duty structure by eliminating 80 outdated exemptions.
  - Electronic and Mobile Phone Industry: Few Exemptions withdrawn on parts of chargers and sub-parts of mobiles. Further, some parts of mobiles will move from 'nil' rate to a moderate 2.5%.
  - Iron and Steel: Reduction in Customs duty uniformly to 7.5% on semis, flat, and long products of non-alloy, alloy, and stainless steels. To provide relief to metal re-cyclers the duty on steel scrap is exempted up to March 31, 2022. ADD and CVD revoked on certain steel products to support MSMEs. Duty on copper scrap is reduced from 5% to 2.5%.
  - Textile: Nylon chain brought on par with polyester and other man-made fibers. Reduction in BCD rates on caprolactam, nylon chips and nylon fiber and yarn to 5%.
  - Chemicals: Custom duty on Naptha reduced to 2.5% to correct inversion.
  - Gold and Silver: Custom Duty on Gold and Silver is rationalised. The present basic customs duty on Gold and Silver is 12.5%.
  - Renewable Energy: Duty on solar invertors increased from 5% to 20% and on solar lanterns from 5% to 15%. This will promoted domestic manufacturing of solar cells and solar panels.
  - Capital Equipment and Auto Parts: There is immense potential in manufacturing heavy capital equipment domestically. The exemptions on tunnel boring machine have been withdrawn. It will attract a customs duty of 7.5%; and its parts a duty of 2.5% while raising customs duty on certain auto parts to 15%.
  - MSME Products: Duty on Steel screws and plastic builder wares increased from 10% to 15%. Exemption on imports of certain kind of leathers is withdrawn. Customs duty on finished synthetic gem stones is increased.
  - Agriculture Products: To benefit farmers, the Finance Minister announced raising custom duty on cotton to 10% and on raw silk and silk yarn to 15%. She also announced withdrawing end-used based concessions on denatured ethyl alcohol.
  - Agriculture Infrastructure and Development Cess (AIDC) is proposed on a small number of items.
  - Rationalisation of Procedures and Easing of Compliance: Regarding rationalization of procedures and easing of compliance, the Finance Minister proposed certain changes in the provisions relating to ADD and CVD levies. To complete customs investigation, definite time-lines are being prescribed. The Turant Custom Initiative rolled out in 2020 has helped in putting a check on misuse of FTAs.

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# Market Watch

## Info Capsule Series 5

### Stock Market Indices

#### S & P BSE Sensex

(November 19, 2020 to February 01, 2021)



# Stock Market Indices

## Nifty 50

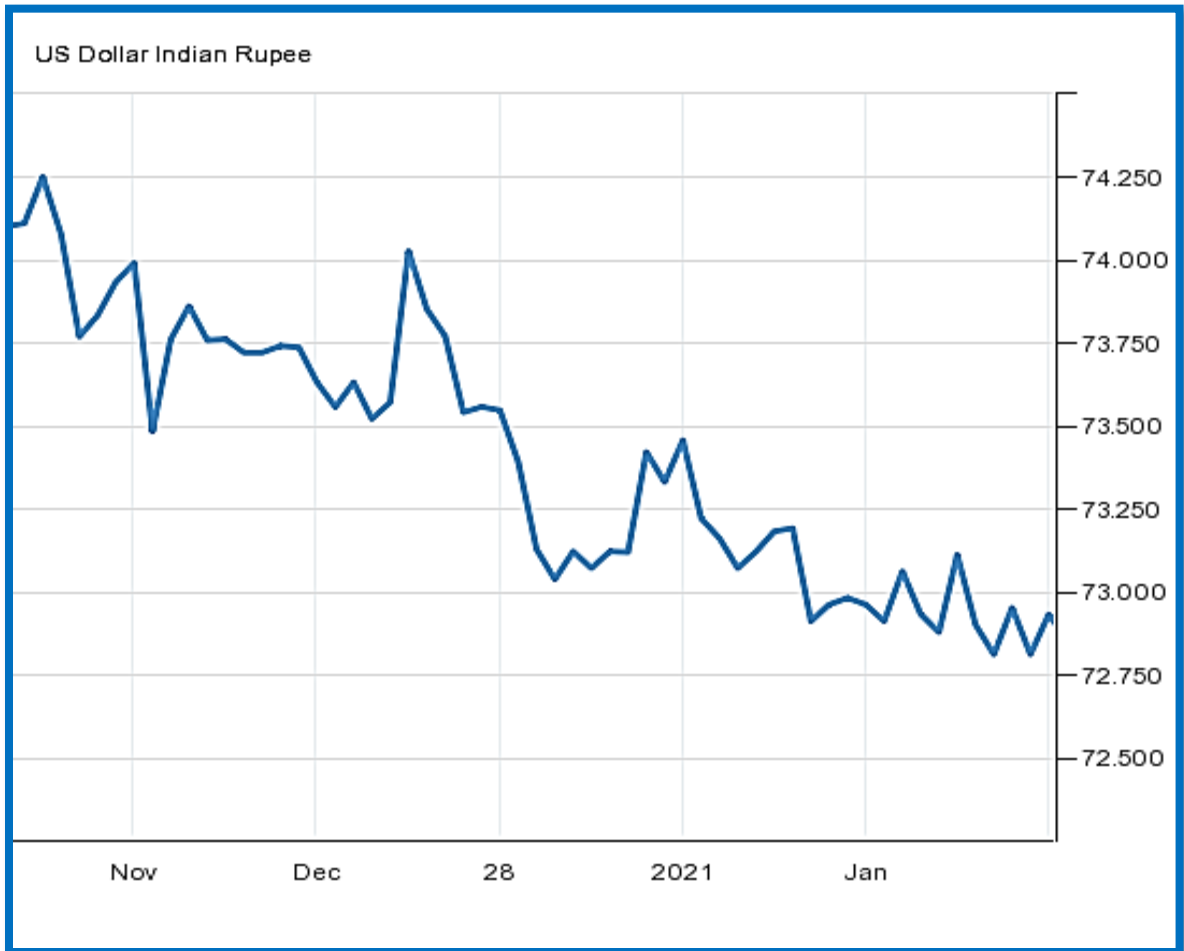
(November 19, 2020 to February 01, 2021)



# Foreign Exchange Rates

## USD

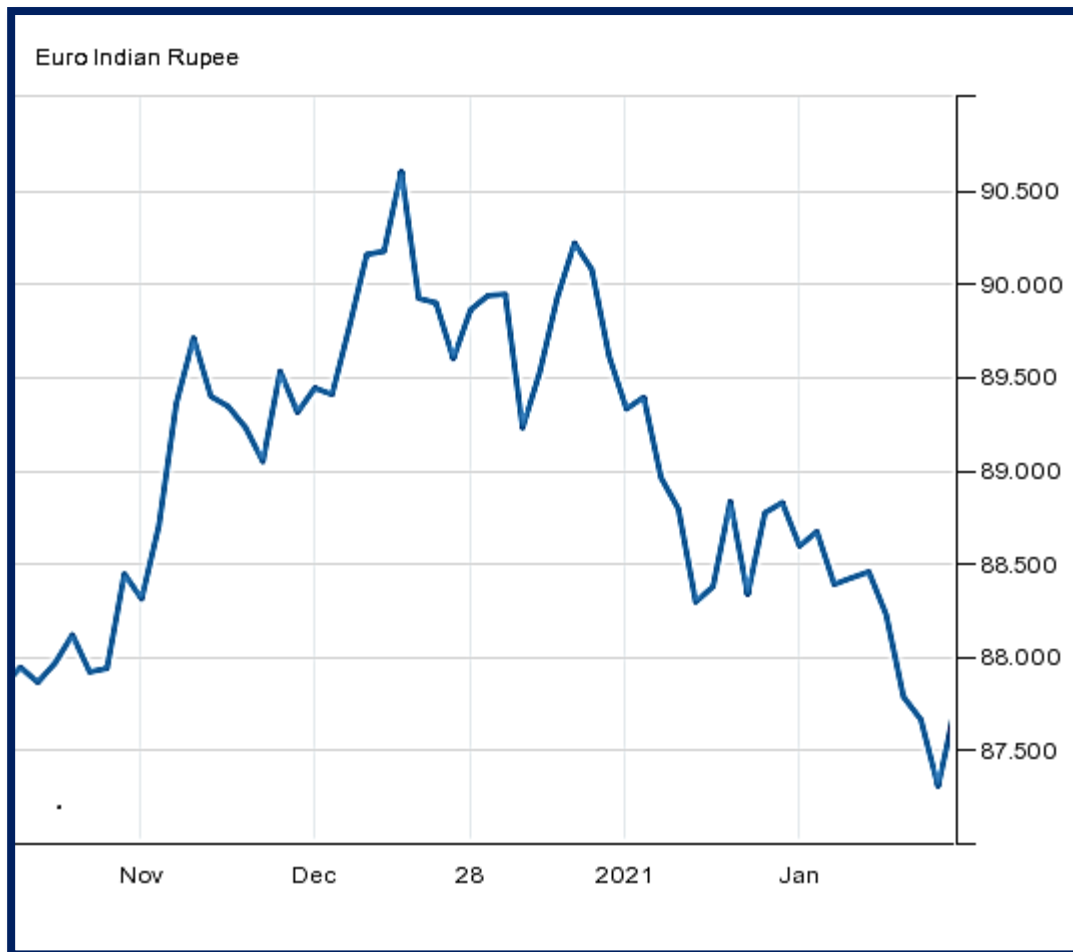
*(November 19, 2020 to February 01, 2021)*



# Foreign Exchange Rates

## EURO

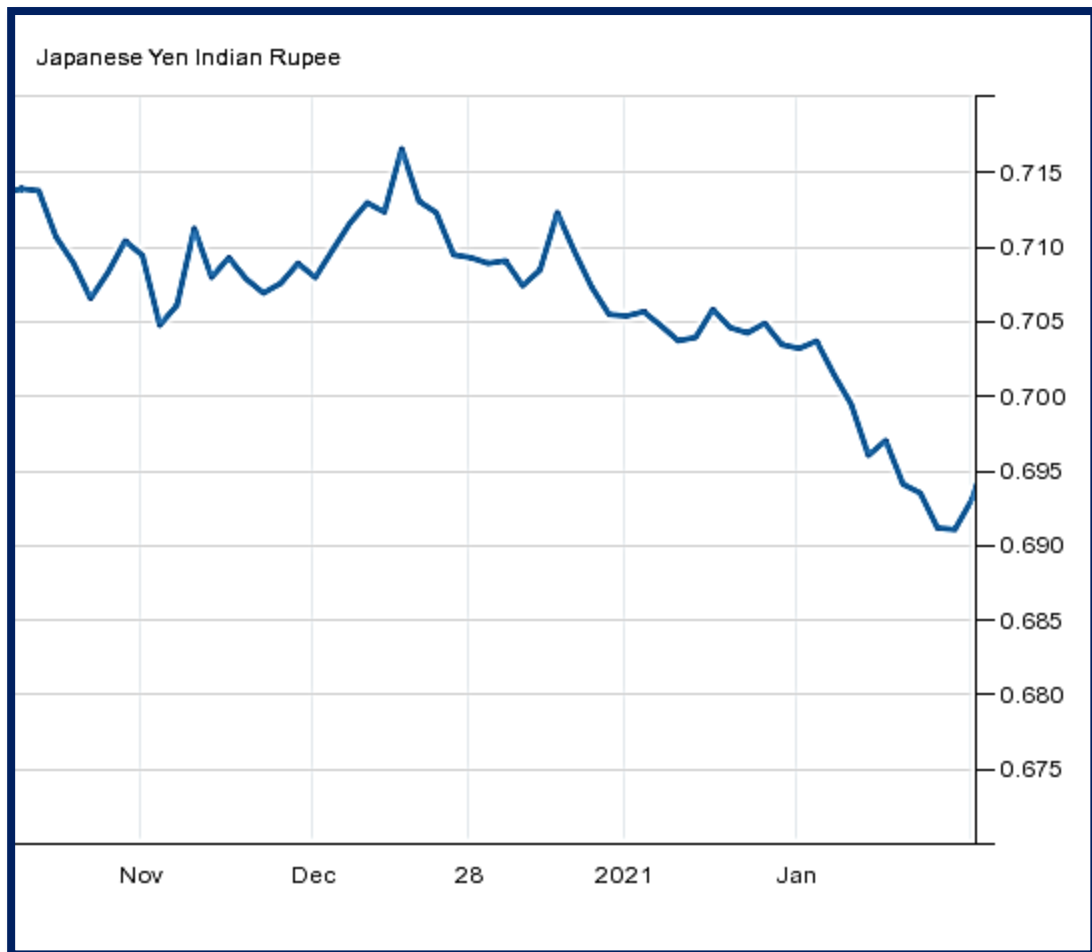
*(November 19, 2020 to February 01, 2021)*



# Foreign Exchange Rates

## JAPANESE YEN

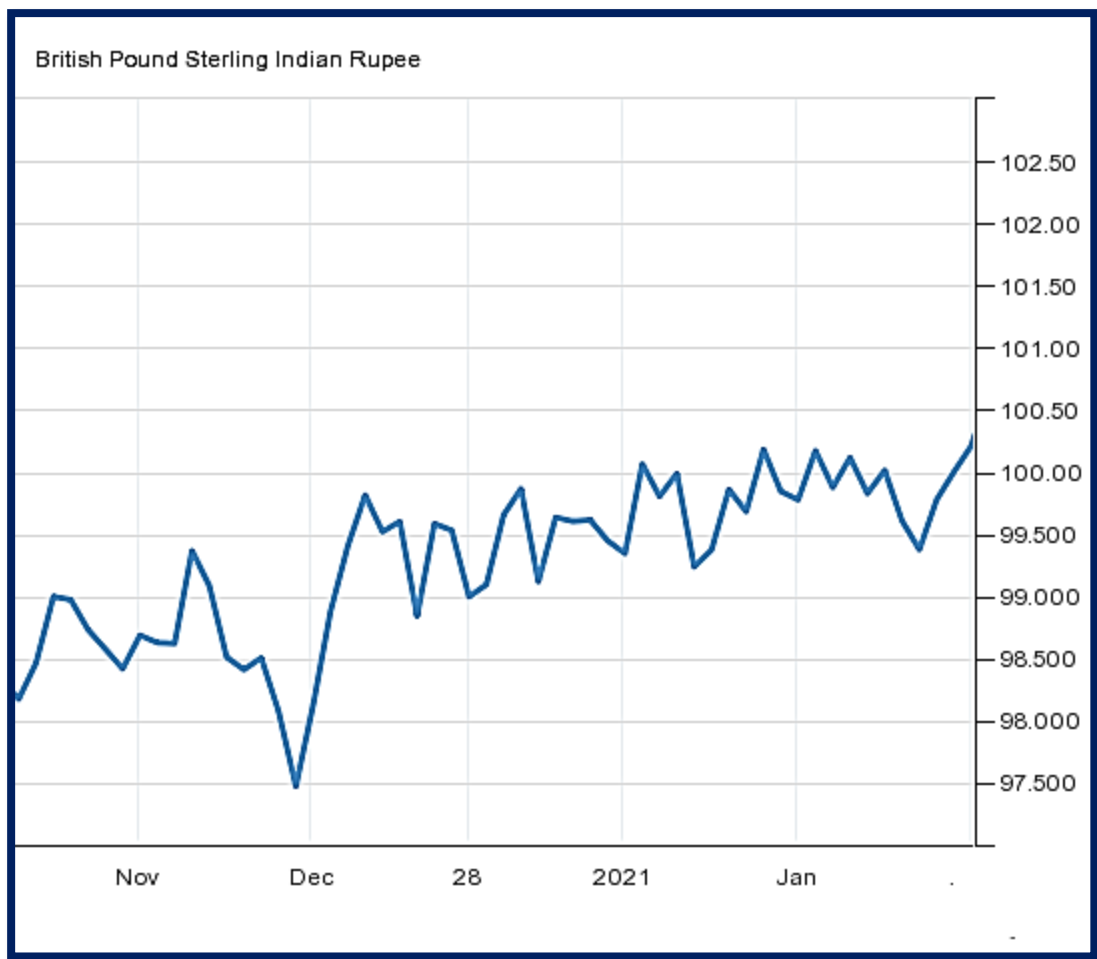
*(November 19, 2020 to February 01, 2021)*



# Foreign Exchange Rates

## GBP

*(November 19, 2020 to February 01, 2021)*



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## Motto

सत्यं वद। धर्मं चर।

इष्टार्थं तेन त्वाप्ते. बोधेन तेन त्वज्ज.

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

## Mission

"To develop high calibre professionals facilitating good corporate governance"



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(Under the jurisdiction of Ministry of Corporate Affairs)

### Headquarters

ICSI House, 22, Institutional Area, Lodi Road, New Delhi 110 003

tel 011- 4534 1000 fax +91-11-2462 6727

email [info@icsi.edu](mailto:info@icsi.edu) website [www.icsi.edu](http://www.icsi.edu)