

# Info Capsule

Monday  
January 18, 2021

President : CS Ashish Garg

Vice President : CS Nagendra D. Rao

## ❖ Latest @ ICSI

**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/PressReleaseDetail.aspx?PRID=1689632>



THE INSTITUTE OF  
Company Secretaries of India

भारतीय कम्पनी सचिव संस्थान

IN PURSUIT OF PROFESSIONAL EXCELLENCE

Statutory body under an Act of Parliament

(Under the jurisdiction of Ministry of Corporate Affairs)

## ❖ Ministry of Corporate Affairs

**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)

## ❖ Terminology for Today

### 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.

## ❖ **Securities Laws and Capital Markets**

### **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)

### ❖ **NCLT/NCLAT News**

#### **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>

### ❖ **Insolvency & Bankruptcy**

#### **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>

### ❖ **Market Watch**

<b>Stock Market Indices as on 18.01.2021</b>	
S & P BSE Sensex	48564.27 (-470.40)
Nifty 50	14281.30 (-152.40)

<b>Foreign Exchange Rates as on 15.01.2021</b> <i>(<a href="https://www.fbil.org.in/#/home">https://www.fbil.org.in/#/home</a>)</i>			
<b>INR / 1 USD</b>	<b>INR / 1 GBP</b>	<b>INR / 1 EUR</b>	<b>INR / 1 JPY</b>
73.0243	99.8262	88.6447	.7037

## ❖ **Economic Law**

### **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/>

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

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