



#### Vision

"To be a global leader in promoting good corporate governance"

#### Motto

सत्यं वद। धर्मं चर। इष्टार्कं क्रेतं त्वाक्रे. श्रेयंते ह्यु क्रेतं इव।

#### Mission

"To develop high calibre professionals facilitating good corporate governance"

Friday, July 12, 2024

# Info Capsule

#### President

CS B Narasimhan

#### Vice President

CS Dhananjay Shukla

## ❖ International Financial Services Centres Authority (IFSCA)

### Permission to participate in the synthetic securitisation program of Parent bank (July 11, 2024)

IFSCA vide this circular permitted IFSC Banking Units (IBU) to participate in the synthetic securitisation program of its Parent bank subject to certain conditions. This circular applies to all the IBUs.

A 'synthetic securitisation' is a structure wherein credit risk of an underlying pool of exposures is transferred, in whole or in part, through the use of funded or unfunded credit derivatives or guarantees that serve to hedge the credit risk of the portfolio while the exposure continues to remain on the balance sheet of the lender.

For details:

[https://ifsca.gov.in/Viewer?Path=Document%2FLegal%2Fcircular\\_synthetic\\_securitisation11072024123347.pdf&Title=Permitting%20IBUs%20to%20participate%20in%20the%20synthetic%20securitisation%20program%20of%20Parent%20bank&Date=11%2F07%2F2024](https://ifsca.gov.in/Viewer?Path=Document%2FLegal%2Fcircular_synthetic_securitisation11072024123347.pdf&Title=Permitting%20IBUs%20to%20participate%20in%20the%20synthetic%20securitisation%20program%20of%20Parent%20bank&Date=11%2F07%2F2024)

## ❖ Ministry of Corporate Affairs

### MCA seeks easing of CSR rules, funds for MCA21, NCLT ((July 12, 2024)

The ministry of corporate affairs has proposed a few key changes in corporate social responsibility (CSR) rules, including a hike in the cap for "administrative expenses" incurred by the companies under CSR function to 10% from 5% now. As part of a set of recommendations made to the finance ministry ahead of the Budget 2024-25, the MCA also sought longer timeline for completion of projects taken up under CSR.

Currently, "ongoing projects" are defined under the CSR obligations as those with duration of up to three years, but industry feels since many large projects practically take more years to make a meaningful impact, the project tenures should be longer.

For details:

<https://www.financialexpress.com/business/industry/mca-seeks-easing-of-csr-rules-funds-for-mca21-nclt/3550917/>

### Forms disposed by CPC (July 11, 2024)

The Central Processing Centre (CPC) has disposed off 22857 e-forms from April 24 to June 24 as compared to 21704 e-forms processed by different RoCs during the same period in previous year for the 12 e-forms migrated to CPC.

For details:

<https://www.mca.gov.in/content/mca/global/en/home.html>

## ❖ Ministry of Commerce & Industry

### GeM records 136 percent quarter-on-quarter growth over last year's Gross Merchandise Value (July 11, 2024)

Government e Marketplace (GeM) has clocked a Gross Merchandise Value (GMV) of ₹1,24,761 Lakh crore at the end of first quarter (Q1), representing a quarter-on-quarter growth of 136% over last year's GMV of Rs 52,670 Crore. Launched in 2016 with an ambitious goal of building a robust domestic e-procurement landscape, GeM has reformulated a previously fragmented system into a comprehensive one-stop-solution that is widely used by all government buyers and serviced by Pan India network of sellers & service providers.

In Q1, FY 24-25 services segment has been the prime mover clocking a GMV of more than ₹80,500 crore representing a growth of 330% over corresponding period in FY 23-24.

For details: <https://pib.gov.in/PressReleasePage.aspx?PRID=2032478>

❖ **FEMA****Remittances to International Financial Services Centres (IFSCs) under the Liberalised Remittance Scheme (LRS) (July 10, 2024)**

At present, remittances under LRS to IFSCs can be made only for:

- i. Making investments in IFSCs in securities except those issued by entities/ companies resident in India (outside IFSC); and
- ii. Payment of fees for education to foreign universities or foreign institutions in IFSCs for pursuing courses mentioned in the gazette notification no. SO 2374(E) dated May 23, 2022, issued by the Central Government.

For these permissible purposes, resident individuals can open Foreign Currency Account (FCA) in IFSCs.

On a review, it has been decided by RBI that Authorised Persons may facilitate remittances for all permissible purposes under LRS to IFSCs for:

- i. Availing financial services or financial products as per the International Financial Services Centres Authority Act, 2019 within IFSCs; and
- ii. All current or capital account transactions, in any other foreign jurisdiction (other than IFSCs) through an FCA held in IFSCs.

For these permissible purposes, resident individuals can open Foreign Currency Account (FCA) in IFSCs.

For details:

<https://rbi.org.in/Scripts/NotificationUser.aspx?Id=12699&Mode=0>

❖ **Market Watch****Stock Market Indices as on  
12.07.2024**

S & P BSE Sensex	80519.34 (+0.78%)
Nifty 50	24502.15 (+0.77%)

**Foreign Exchange Rates as on 12.07.2024**  
(<https://m.rbi.org.in/scripts/ReferenceRateArchive.aspx>)

INR / 1 USD	INR / 1 EUR	INR / 1 GBP	INR / 1 JPY
83.538	90.768	107.827	.5249

## ❖ **Judicial Pronouncement**

June 28, 2024	TIL Limited	Adjudication Order by SEBI
---------------	-------------	----------------------------

### **Facts of the Case**

TIL Limited (“Noticee/TIL/Company”) is a company listed in National Stock Exchange of India Ltd. (“NSE”) and BSE Ltd. (“BSE”). SEBI received an alert from NSE, inter alia, raising concerns regarding the regularization of appointment of independent directors in TIL after the expiry of three months. Thereafter, SEBI conducted an examination in the matter. During the course of examination, it was, inter alia, observed that the Noticee has failed to disclose “the defaults on loans obtained by the Noticee” to the Stock Exchanges in a timely manner.

Therefore, it was alleged that the Noticee has violated the provisions of Regulations 30(2) and 30(6) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“LODR Regulations”) read with Clause 6 of Para A of Part A of Schedule III of the LODR Regulations and SEBI Circular No. SEBI/HO/CFD/CMD1/CIR/P/2019/140 dated November 21, 2019.

### **SEBI Order:**

SEBI held that the Noticee being a listed entity is expected to take statutory compliances very seriously and to carry out its obligations with skill, care and diligence. However, in the instant case, there are 11 instances in which the disclosures were not made within the stipulated time period. These lapses on part of the Noticee cannot be viewed as an inadvertent omission. Such lapses therefore need to be viewed seriously. In the exercise of powers conferred upon SEBI under Section 15-I of the SEBI Act read with Rule 5 of the Adjudication Rules, SEBI imposed a monetary penalty of Rs. 10,00,000/- (Rupees Ten Lakhs Only) on the TIL Limited under section Section 15A(b) of SEBI Act.

For details: <https://www.sebi.gov.in/enforcement/orders/jun-2024/adjudication-order-in-the-matter-of-til-ltd-84512.html>

**Prepared by Directorate of Academics**

*For any suggestions, please write to academics@icsi.edu,*

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

Connect with ICSI

www.icsi.edu |        | Online helpdesk : <http://support.icsi.edu>