

Info Capsule

ELECTRONIC NEGOTIABLE WAREHOUSE RECEIPT (E-NWR) SYSTEM¹

Shri Ram Vilas Paswan, Union Minister of Consumer Affairs, Food and Public Distribution launched the Web Portal of Warehousing Development and Regulatory Authority (WDRA) & “Electronic Negotiable Warehouse Receipt (e-NWR) System” in New Delhi. Addressing the gathering on the occasion Shri Paswan lauded the initiatives taken by the WDRA in simplifying the Warehouse Registration Rules, digitizing the entire process of registration, monitoring and surveillance as well as creation and management of Negotiable Warehouse Receipts (NWRs) in electronic form through two repositories.

Shri Paswan informed that the e-NWRs would have no chances of any tempering, mutilation, fudging, loss or damage and with no possibility of any multiple financing. Hence, these NWRs will not only facilitate an easy pledge financing by banks and other financial institutions but also smooth trading on various trading centres like commodity exchanges, electronic National Agriculture Markets (e-NAM) and other electronic platforms. He felt that these e-NWRs will save expenditure in logistics as the stocks could be traded through multiple buyers without physical movement and can be even split for partial transfer or withdrawal.

Shri Paswan expressed that these initiatives would revolutionise the marketing of agricultural commodities and help farmers realize better price for their produce which will be a step towards doubling the farmers’ income by 2022 as well as Digital India mission as envisaged by the Hon’ble Prime Minister.

Shri C R Chaudhary, Minister of State for Consumer Affairs, Food and Public Distribution and Ms. Preeti Sudan, Secretary, Department of Food and Public Distribution also attended the function as Guest of Honour and addressed the gathering.

Shri G.C. Chaturvedi, Chairman, WDRA presented an overview of various steps taken by the WDRA under its Transformation Plan to fully digitize its functioning. He indicated that the whole purpose of simplifying the processes and moving towards online system would enhance WDRA’s regulatory functions and bring greater fiduciary trust among banks, depositors and the trade on the e-NWR system.

Coinciding with the ongoing Swachhta Pakhwada, Shri Paswan also administered the Swachhta pledge to the gathering and requested everyone for their wholehearted participation in keeping their surrounding clean and realizes the dream of a Swachh Bharat.

GST REVENUE FIGURES – AS ON 25th SEPTEMBER, 2017²

The Goods and Services Tax (GST) was introduced on July 1, 2017. In the press release dated August 29, 2017, it was reported that the total revenue of GST paid under different heads for the month of July, 2017 (up to August 29) was Rs. 92,283 crore. Out of the total GST collection of Rs. 92,283 crore, the total CGST revenue was Rs. 14,894 crore, SGST revenue was Rs.22,722

¹ Available at: <http://pib.nic.in/newsite/erelease.aspx>

² Available at: <http://pib.nic.in/newsite/erelease.aspx>

crore, IGST revenue was Rs.47,469 crore (of which IGST from imports was Rs.20,964 crore) and Compensation Cess was Rs.7,198 crore (of which Rs.599 crore is Compensation Cess from imports). Many assesses have been filing the returns for July 2017 belatedly and till August 31, 2017 and the total GST paid for July is Rs. 94,063 crore.

2. The last date for payment of GST as well as filing of GSTR 3B return for the month of August 2017 was September 20, 2017. The total number of tax payers who were required to file monthly returns for August 2017 is 68.20 lakhs, of which, as on September 25, 2017, 37.63 lakh GSTR 3B returns have been filed.
3. The total revenue of GST paid under different heads (up to September 25, 2017) is Rs. 90,669 crore. The total CGST revenue is Rs. 14,402 crore, SGST revenue is Rs. 21,067 crore, IGST revenue is Rs. 47,377 crore (of which IGST from imports in August 2017 is Rs. 23,180 crore) and Compensation Cess is Rs.7,823 crore (of which Rs. 547 crore is Compensation Cess from imports in August 2017).
4. The above figures obviously do not include the GST to be paid by 10.24 lakh assesseees who have opted for the composition scheme. Additionally, there are still a number of assesseees who have not filed their return either for July or August, 2017. The increase in the above stated figures will be informed in due course.

MCA NOTIFIED THE COMPANIES (RESTRICTION ON NUMBER OF LAYERS) RULES, 2017³

Ministry of Corporate Affairs (MCA) has notified the 'Companies (Restriction on Number of Layers) Rules, 2017' w.e.f. 20th September, 2017 which provides for restriction on number of layers for certain classes of holding companies and filing of return in Form CRL-1 (disclosing the details regarding number of layers) within 150 days from the date of publication of the above stated notification.

As per the notification following rules has been introduced:-

"RULE 1: SHORT TITLE AND COMMENCEMENT

- (1) These rules may be called the **Companies (Restriction on number of layers) Rules, 2017**.
- (2) They shall come into force on the date of their publication in the Official Gazette.

RULE 2: RESTRICTION ON NUMBER OF LAYERS FOR CERTAIN CLASSES OF HOLDING COMPANIES

- (1) No company, other than a company belonging to a class specified in sub-rule (2), shall have more than two layers of subsidiaries:—

Provided that the provisions of this sub-rule shall not affect a company from acquiring a company incorporated outside India with subsidiaries beyond two layers as per the laws of such country:

Provided further that for computing the number of layers under this rule, one layer which consists of one or more wholly owned subsidiary or subsidiaries shall not be taken into account.

³ Available at: http://www.mca.gov.in/Ministry/pdf/CompaniesRestrictionOnNumberofLayersRule_22092017.pdf

- (2) The provisions of **this rule shall not apply to the following classes of companies**, namely:—
- (a) a banking company as defined in clause (c) of section 5 of the Banking Regulation Act, 1949 (10 of 1949);
 - (b) a non-banking financial company as defined in clause (f) of Section 45-I of the Reserve Bank of India Act, 1934 (2 of 1934) which is registered with the Reserve Bank of India and considered as systematically important non-banking financial company by the Reserve Bank of India;
 - (c) an insurance company being a company which carries on the business of insurance in accordance with provisions of the Insurance Act, 1938 (4 of 1938) and the Insurance Regulatory Development Authority Act, 1999 (41 of 1999);
 - (d) a Government company referred to in clause (45) of section 2 of the Act.
- (3) The provisions of this rule shall not be in derogation of the proviso to sub-section (1) of section 186 of the Act.
- (4) Every company, other than a company referred to in sub-rule (2), existing on or before the commencement of these rules, which has number of layers of subsidiaries in excess of the layers specified in sub-rule (1) –
- (i) shall file, with the Registrar a return in **Form CRL-1 disclosing the details specified therein, within a period of one hundred and fifty days from the date of publication of these rules in the Official Gazette;**
 - (ii) shall not, after the date of commencement of these rules, have any additional layer of subsidiaries over and above the layers existing on such date; and
 - (iii) shall not, in case one or more layers are reduced by it subsequent to the commencement of these rules, have the number of layers beyond the number of layers it has after such reduction or maximum layers allowed in sub rule (1), whichever is more.
- (5) **If any company contravenes any provision of these rules** the company and every officer of the company who is in default shall be punishable with fine which may extend to ten thousand rupees and where the contravention is a continuing one, with a further fine which may extend to one thousand rupees for every day after the first during which such contravention continues.”

Form CRL-1 for Return regarding number of layers as per clause (i) of sub-rule (4) of rule 2) has been annexed to the rules notified.

Team ICSI

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