

Info Capsule

Friday
April 01, 2022

President : CS Devendra V. Deshpande

Vice President : CS Manish Gupta

❖ Ministry of Corporate Affairs

Companies (Accounts) Second Amendment Rules, 2022 (March 31, 2022)

MCA has notified the Companies (Accounts) Second Amendment Rules, 2022 which came into force on the date of their publication in the Official Gazette. Vide this notification, the date of applicability for the requirement relating to feature of recording audit trail in the Accounting Software has been extended from 01st April 2022 to 01st April, 2023. Further, MCA has extended the timeline for filing of Form CSR-2 for FY 2020-21 from 31st March, 2022 to 31st May, 2022.

For details:

<https://www.mca.gov.in/bin/dms/getdocument?mids=3kjEo3H12bPQqpt2k180Tw%253D%253D&type=open>



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)



75
Azadi Ka
Amrit Mahotsav

❖ Securities Laws & Capital Markets

SEBI News

- **SEBI bans mutual fund scheme launches till pool accounts are discontinued (April 01, 2022)**

The capital markets regulator Securities and Exchange Board of India (SEBI) has barred the launch of mutual fund schemes till at July 01, 2022. The markets watchdog had asked mutual fund houses to ensure that no distributor, online platform, stockbroker or investment advisor pools investors' money in a bank account and then transfer it to the fund house for purchasing units of schemes for those investors. This is to ensure that the money does not get misused. The regulator asked the mutual fund industry to implement this from April 1, 2022.

For details:

<https://www.moneycontrol.com/news/business/personal-finance/sebi-bans-mutual-fund-scheme-launches-till-pool-accounts-are-discontinued-8304451.html>

- **SEBI slaps Rs. 51 lakh penalties on 18 entities in ATL case (March 31, 2022)**

SEBI imposed penalties totalling Rs. 51 lakh on 18 entities, including individuals, for misutilisation of IPO funds and certain other lapses with respect to the shares of Acropetal Technologies Ltd (ATL). ATL raised Rs 170 crore through an Initial Public Offering (IPO) in February 2011. SEBI initiated a preliminary investigation into the company's IPO in February 2012 and later an extensive probe was conducted to ascertain whether there were any violations of regulations.

For details:

https://www.business-standard.com/article/markets/sebi-slaps-rs-51-lakh-penalties-on-18-entities-in-atl-case-122033101539_1.html

❖ *Consumer Protection*

13 companies withdrew misleading advertisements, 3 companies agreed for corrective advertisement after Central Consumer Protection Authority (CCPA) issued notices (March 30, 2022)

The Union Minister of State for Consumer Affairs, Food and Public Distribution, Shri Ashwini Kumar Choubey in a written reply to a question in Lok Sabha today informed that based on the notices issued by the Central Consumer Protection Authority (CCPA) against misleading advertisements by companies, 13 companies withdrew misleading advertisements and 3 companies agreed for corrective advertisement. CCPA has also imposed penalties on 3 companies for their misleading advertisements. CCPA has recently issued two Safety Notices to alert and make consumers cautious against buying household goods which do not conform to BIS standards. An advisory has also been issued to industry associations highlighting the provisions of the Consumer Protection Act and to impress upon their members to cease from making false claims about effectiveness against corona virus which are not supported by competent and duly authorized scientific advice.

Recently, the Central Consumer Protection Authority also directed discontinuation of 'Sure Vision' advertisement and imposed a penalty of Rs 10 Lakh over false and misleading claim. The company failed to substantiate its claims related to the efficacy of the product made out in the advertisement that "It improves eyesight naturally; Eliminates eye strains; Exercise the ciliary muscles; World's best unisex correction apparatus"

Earlier, CCPA has also imposed penalty of ₹10,00,000 each on Naaptol and GSK for its Sensodyne toothpaste for their misleading advertisement. They were also directed to discontinue their advertisement.

For details:

<https://www.pib.gov.in/PressReleasePage.aspx?PRID=1811478>

<https://www.pib.gov.in/PressReleasePage.aspx?PRID=1810496>

❖ *Terminology for today*

Hedonic Regression

Hedonic regression is the use of a regression model to estimate the influence that various factors have on the price of goods, or sometimes the demand for goods. In a hedonic regression model, the dependent variable is the price (or demand) of the good, and the independent variables are the attributes of the good believed to influence utility for the buyer or consumer of the good. The resulting estimated coefficients on the independent variables can be interpreted as the weights that buyers place on the various qualities of the good.

❖ **Ministry of Environment, Forest and Climate Change**

Policy to Develop Recycling Industry (March 31, 2022)

The management of e-waste in the Country is regulated under the E-Waste (Management) Rules, 2016 and amendments thereof. Under the aforesaid rules, provisions have been made for dismantling and recycling of e-waste. The dismantlers and recyclers have to obtain authorization from concern State Pollution Control Boards (SPCBs)/ Pollution Control Committees (PCCs). The concerned SPCB/PCC grants authorization after ensuring that the dismantlers and recyclers have the dismantling and recycling facilities as per the guidelines of Central Pollution Control Board (CPCB). Presently four hundred and sixty-eight (468) numbers dismantlers/recyclers of E-Waste are operating in twenty-two (22) States. These authorised dismantlers/recyclers have annual processing capacity of 13,85,932.22 tonnes.

Principle of Extended Producer Responsibility (EPR) has been implemented for management of e-waste in the country. Under EPR, Producers have to collect targeted quantity of e-waste for environmentally sound dismantling and recycling only through an authorised dismantlers and recyclers. The authorized dismantler and recyclers are required to carry out dismantling and recycling of e-waste in an environmentally sound manner as per the guidelines published by CPCB.

Ministry of Electronics and Information Technology has amended the existing Scheme for Promotion of Manufacturing of Electronic Components and Semiconductors (SPECES) to provide support for setting up of state-of-art e-waste recycling facilities for extraction of precious metals from e-waste components. The scheme envisioned for financial incentive of 25% on capital expenditure.

For details: <https://www.pib.gov.in/PressReleasePage.aspx?PRID=1812027>

❖ **Market Watch**

Stock Market Indices as on 01.04.2022	
S & P BSE Sensex	59276.69 (+708.18)
Nifty 50	17670.45 (+205.70)

Foreign Exchange Rates as on 31.03.2022 <i>(https://www.geojit.com/currency-futures)</i>			
INR / 1 USD	INR / 1 EUR	INR / 1 GBP	INR / 1 JPY
75.51	84.09	99.15	0.62

❖ **Business and Economic News**

- **Foreign Trade Policy 2015-2020 extended upto 30th September, 2022(March 31, 2022)**

Directorate General of Foreign Trade in exercise of powers conferred by Section 5 of the Foreign Trade (Development & Regulation) Act, 1992 read with paragraph 1.02 of the Foreign Trade Policy (FTP) 2015-2020, amended the FTP 2015-2020. According to the amendment the existing Foreign Trade Policy 2015-2020 which is valid upto 31.03.2022 is extended upto 30th September, 2022.

For details:

<https://egazette.nic.in/WriteReadData/2022/234737.pdf>

- **Export Policy for MSMEs (March 31, 2022)**

E-Commerce is widely considered as a medium to reduce costs related to penetration and sustainability of exporters in international markets. Indian MSMEs stand to benefit from the enhanced visibility provided by e-commerce platforms. Improved infrastructure, competitive pricing and reduced costs associated with marketing and outreach of products over a digital platform contribute to promoting online sales.

Government of India has taken several measures to enhance the exports by Micro, Small and Medium Enterprises (MSMEs). These include efforts made under Make in India Programme, Promotion of Ease of Doing Business, improved availability of credit through MUDRA, Stand up India. Further, Ministry of MSME has established 52 Export Facilitation Centers (EFCs) across the country with an aim to provide requisite mentoring and handholding support to MSEs in exporting their products and services to the foreign market; and 102 Enterprise Development Centers (EDCs) have been setup with the aim to build a network of entrepreneurial leaders by providing professional mentoring and handholding support services to existing as well as aspiring MSMEs with special focus on rural enterprises on continuous basis.

For details:

<https://pib.gov.in/PressReleasePage.aspx?PRID=1811827>

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.

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

ICSII Motto:
सत्यं वद। धर्मं चर। *Speak the truth, abide by the law*

MISSION
"To develop high calibre professionals
facilitating good corporate governance"

Connect with ICSI

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