

Info Capsule

Wednesday
May 04, 2022

President : CS Devendra V. Deshpande

Vice President : CS Manish Gupta

❖ Direct Tax

CBDT: Complete 30% faceless assessments by end-June [Dated May 4, 2022]

The Central Board of Direct Taxes (CBDT) has asked the faceless assessment units to make provisions for completion of assessments in a systematic and time-bound manner. It also directed tax officials to keep reassessments, penalty proceedings, and refund matters on 'priority' in the first half of the current fiscal year (2022-23).

For details:

https://www.business-standard.com/article/economy-policy/cbdt-to-taxmen-complete-30-faceless-assessments-by-end-june-122050400030_1.html



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❖ Securities Laws & Capital Markets

SEBI Circular

• **System and Network Audit of Market Infrastructure Institutions (MIIs) (May 02, 2022)**

SEBI vide this circular has provided that the Stock Exchanges, Clearing Corporations, Depositories (hereinafter referred as 'Market Infrastructure Institutions – MIIs) are required to submit information with regard to exceptional major Non-Compliances (NCs)/ minor NCs observed in the System and Network audit as per the prescribed format and are required to categorically highlight those observations/NCs/ suggestions pointed out in the System and Network audit (current and previous) which remain open. Further provided that the Systems and Network audit Report including compliance with SEBI circulars/ guidelines and exceptional observation format along with compliance status of previous year observations shall be placed before the Governing Board of the MII and then the report along with the comments of the Management of the MII shall be communicated to SEBI within a month of completion of audit.

For details:

<https://www.sebi.gov.in/legal/circulars/may-2022/system-and-network-audit-of-market-infrastructure-institutions-miis-58624.html>

SEBI News

• **71% of anchor allotment for LIC IPO made to 15 mutual funds: What this means for retail investors and policyholders. (May 03, 2022)**

Ahead of its mega opening, Life Insurance Corporation has raised around Rs 5,620 crore from anchor investors, the maximum allowable limit. Anchor investors subscribed to a total of 5,92,96,853 equity shares at Rs 949/- per equity share. Anchor investors are institutional investors that are allotted shares before the subscription opens for retail and other investors, and have to commit to holding their shares for a certain period after listing.

For details:

<https://timesofindia.indiatimes.com/business/india-business/71-of-anchor-allotment-for-lic-ipo-made-to-15-mutual-funds-what-this-means-for-retail-investors-and-policyholders/articleshow/91278062.cms>

❖ **Banking and Insurance**

• **IIFL, Open Financial Technologies enter JV, launch neobank for MSMEs (May 03, 2022)**

Non-Banking financial company, IIFL Finance Ltd and Open Financial Technologies, Asia's largest SME focused neo-banking platform announced a joint venture (JV) to launch India's first neobank that would cater to banking and credit requirements of Micro and Small Enterprises (MSMEs). Initial capital of the joint venture company will be Rs. 120 crore. The JV composition between IIFL Finance and Open is 51:49. The name of the joint venture would be IIFL Open Fintech Private Limited.

For details:

https://www.business-standard.com/article/companies/iifl-open-financial-technologies-enter-jv-launch-neobank-for-msmes-122050300963_1.html

• **Review of Minimum Investment Grade Credit Ratings for Deposits of NBFCs (May 02, 2022)**

The Reserve Bank of India has issued Master Direction – Non-Banking Financial Companies Acceptance of Public Deposits (Reserve Bank) Directions, 2016 on August 25, 2016 wherein the names of approved credit rating agencies and their respective minimum investment grade credit rating for the purpose of accepting public deposits by NBFCs have been listed. Now, it has been decided that the minimum investment grade credit rating for deposits of NBFCs shall be 'BBB-' from any of the SEBI-registered Credit Rating Agencies.

For details:<https://www.rbi.org.in/Scripts/NotificationUser.aspx?Id=12304&Mode=0>

• **IRDAI panel suggests introducing combi micro insurance product [May 3, 2022]**

The Insurance Regulatory and Development Authority of India (IRDAI) has suggested introduction of a combi micro insurance (MI) product. A panel on MI, set up by IRDAI in February 2020, has suggested a product which can be developed on a modular basis giving flexibility to the insurer to offer coverage to different groups and individuals as per their specific protection needs.

For details:

<https://www.livemint.com/insurance/news/irdai-panel-suggests-introducing-combi-micro-insurance-product-11651577959110.html>

❖ **Terminology for today**

Iron Butterfly

An iron butterfly is an options trade that uses four different contracts as part of a strategy to benefit from stocks or futures prices that move within a defined range. The trade is also constructed to benefit from a decline in implied volatility. The key to using this trade as part of a successful trading strategy is forecast a time when option prices are likely to decline in value generally. This usually occurs during periods of sideways movement or a mild upward trend.

❖ **International Business News**

Visics ATG India opens its first international office in Chennai (May 03, 2022).

Visics ATG India Private Limited a part of Access Technology Group, a Dutch company specialising in industrial safety solutions for turnarounds, inaugurated its first international office in Chennai on Tuesday, May 03, 2022. The new international office at Karapakkam that spreads across 5,500 sq.ft. is funded by the Dutch government, according to a press release.

For details:

<https://timesofindia.indiatimes.com/business/india-business/visics-atg-india-opens-its-first-international-office-in-chennai/articleshow/91288808.cms>

❖ **Technology and Automation**

- **India and Germany agree to work together with focus on Artificial Intelligence (AI) Start-Ups as well as 'AI' research and its application in Sustainability and Health care (May 03, 2022)**

India and Germany have agreed to work together with focus on Artificial Intelligence ('AI') StartUps as well as AI research and its application in Sustainability and Health care, said Dr Jitendra Singh, Minister for Science & Technology and Earth Sciences after his "bilateral" talks with German Minister for Education & Research, Bettina Stark-Watzinger. Both the Ministers agreed that there is a lot of scope to work together in Artificial Intelligence for which experts on two sides have already met. An Indo-German call for proposals for this would be raised soon inviting proposals from researchers and industry.

For details: <https://www.pib.gov.in/PressReleasePage.aspx?PRID=1822324>

- **Indian, Danish business leaders discuss solar energy, green technologies (May 04, 2022)**

Business leaders of India and Denmark discussed several issues including wind energy, solar energy and other green technologies during the Business Forum event between the two countries on May 03, 2022. Prime Minister Shri. Narendra Modi jointly participated with Prime Minister of Denmark Shri. Mette Frederiksen, and Crown Prince Frederik of Denmark, in the India-Denmark Business Forum at the Confederation of Danish Industry.

For details:

https://www.business-standard.com/article/current-affairs/indian-danish-business-leaders-discuss-solar-energy-green-technologies-122050301278_1.html

- **Meta is planning to launch four high-end VR headsets by 2024 (May 03, 2022)**

Meta (formerly Facebook) is working on four new virtual reality (VR) and mixed reality (MR) headsets that the company will release by 2024. According to the Information, the aggressive timeline reflects Meta Founder and CEO Mr. Mark Zuckerberg's desire to advance his metaverse dream by getting more people to use VR devices. A second version of Cambria, code-named Funston, is likely to be launched in 2024. The Cambria VR headset may have high-resolution image quality so that you can write and type emails within the VR environment.

For details:

https://www.business-standard.com/article/technology/meta-is-planning-to-launch-four-high-end-vr-headsets-by-2024-122050300183_1.html

❖ Business and Economic News

Adani Wilmar beats HUL to become the largest FMCG Company in India (May 02, 2022)

Packaged foods major Adani Wilmar Ltd. (AWL) reported Rs. 54,214 crore revenue from operations for FY2021-22, a 46.2 % higher year-on-year (YoY). With this jump in its revenue, from Rs. 37,090 crore in the previous year, the consumer goods company from billionaire Gautam Adani's stable has dislodged Hindustan Unilever (HUL) from the top spot in the local fast moving consumer goods (FMCG) market.

For details:

<https://www.businesstoday.in/latest/corporate/story/adani-wilmar-beats-hul-to-become-the-largest-fmcg-company-in-india-332110-2022-05-02>

❖ Market Watch

Stock Market Indices as on 04.05.2022	
S & P BSE Sensex	55669.03 (-1,306.96)
Nifty 50	16677.60 (-391.50)

Foreign Exchange Rates as on 02.05.2022 (https://www.geojit.com/currency-futures)			
INR / 1 USD	INR / 1 EUR	INR / 1 GBP	INR / 1 JPY
76.28	80.23	95.61	0.59

Prepared by Directorate of Academics

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