

# Info Capsule

Tuesday  
April 05, 2022

President : CS Devendra V. Deshpande

Vice President : CS Manish Gupta

## ❖ Indirect Tax

### Goods and Services Tax

#### **GST rate for COVID-19 medicines pegged at 5% GST: Government (April 04, 2022)**

COVID-19 medicines and instruments are being sold at a GST rate of five per cent while other medicines are sold at a GST rate between five and 12 per cent ever since the pandemic started, Union Minister of State for Finance Pankaj Chaudhary said in the Lok Sabha on April 04, 2022.

For details:

<https://www.moneycontrol.com/news/business/economy/gst-rate-for-covid-19-medicines-pegged-at-5-gst-govt-8314811.html>



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)



## ❖ Securities Laws & Capital Markets

### SEBI Circular

- **Execution of 'Demat Debit and Pledge Instruction' (DDPI) for transfer of securities towards deliveries / settlement obligations and pledging / repledging of securities (April 04, 2022)**

To curb possible misuse of Power of Attorney (PoA) given by clients to stock brokers and depository participant, SEBI vide this circular has provided that the execution of DDPI will be made compulsory under which the clients shall explicitly agree to authorize the stock broker and depository participant to access their BO account for the limited purpose of meeting pay-in obligations for settlement of trades executed by them. The DDPI shall serve the same purpose of PoA and significantly mitigate the misuse of PoA. The provisions of this circular shall be applicable with effect from July 01, 2022.

For details:

[https://www.sebi.gov.in/legal/circulars/apr-2022/execution-of-demat-debit-and-pledge-instruction-ddpi-for-transfer-of-securities-towards-deliveries-settlement-obligations-and-pledging-re-pledging-of-securities\\_57546.html](https://www.sebi.gov.in/legal/circulars/apr-2022/execution-of-demat-debit-and-pledge-instruction-ddpi-for-transfer-of-securities-towards-deliveries-settlement-obligations-and-pledging-re-pledging-of-securities_57546.html)

### SEBI Press Release

- **SEBI constitutes committee on Strengthening of Governance of Market Infrastructure Institutions (April 04, 2022)**

SEBI has constituted an ad-hoc committee on April 04, 2022, for reviewing and making recommendations for further strengthening of governance norms at Market Infrastructure Institutions (MIIs). The terms of reference of the Committee include making recommendations on measures for strengthening the role played by the Governing Board and Committees of MIIs, reviewing the requirements related to appointment and role &

responsibility of Directors on the Board and Key Managerial Persons (KMPs), developing effective metrics for monitoring various aspects of the functioning of MIIs and KMPs, enhancing accountability and transparency, reviewing the policy on safekeeping and sharing of information held by MIIs, revisiting the Code of Conduct and Code of Ethics for Directors of the Governing Board and KMPs and any other measures that the committee may consider appropriate.

*For details:*

[https://www.sebi.gov.in/media/press-releases/apr-2022/sebi-constitutes-committee-on-strengthening-of-governance-of-market-infrastructure-institutions\\_57564.html](https://www.sebi.gov.in/media/press-releases/apr-2022/sebi-constitutes-committee-on-strengthening-of-governance-of-market-infrastructure-institutions_57564.html)

### ❖ **Business and Economic News**

#### **HDFC twins merge in \$40-bn deal; amalgamation may take 15 to 18 months (April 05, 2022)**

The country's largest housing finance company and the biggest private sector bank announced that their boards have approved an all-stock amalgamation of HDFC Ltd into HDFC Bank.

A merger, which was in the making for years, has finally fructified in a \$40-billion deal to create a banking behemoth. The country's largest housing finance company and the biggest private sector bank announced on Monday that their boards have approved an all-stock amalgamation of HDFC Ltd into HDFC Bank, subject to regulatory approvals. At present, HDFC is the parent company of the bank.

The merger will be a two-step process wherein, HDFC Investments Ltd and HDFC Holdings Ltd, which are wholly-owned subsidiaries of HDFC, will be merged with and into HDFC. Then HDFC will be merged with HDFC Bank. HDFC and its two subsidiaries currently hold 21 per cent of the share capital of HDFC Bank. HDFC shares will be extinguished after the merger.

*For details:*

[https://www.business-standard.com/article/companies/hdfc-twins-merge-in-40-bn-deal-amalgamation-may-take-15-to-18-months-122040500024\\_1.html](https://www.business-standard.com/article/companies/hdfc-twins-merge-in-40-bn-deal-amalgamation-may-take-15-to-18-months-122040500024_1.html)

### ❖ **Market Watch**

#### **Stock Market Indices as on 05.04.2022**

S & P BSE Sensex	60176.50 (-435.24)
Nifty 50	17957.40 (-96.00)

#### **Foreign Exchange Rates as on 04.04.2022**

*(<https://www.geojit.com/currency-futures>)*

INR / 1 USD	INR / 1 EUR	INR / 1 GBP	INR / 1 JPY
75.29	82.88	98.74	0.61

## ❖ **Competition Law**

### **CCI to enforce stricter M&A disclosure requirements starting May 1 (April 04, 2022)**

Cos to disclose "complimentary linkage" between them and their impact on market, provide data of past 5 yrs on market size, market share of parties and also of competitors.

Companies planning for merger and acquisition (M&A) will have to disclose the extent of "complimentary linkages" between them and their impact on the market under the revised reporting requirement of the Competition Commission of India (CCI). The changes will come into effect from May 1.

The entities may also have to provide market facing data of the past five years with respect to their market size, market share of the parties and also the competitors along with customers and suppliers. At present they seek data for only one year.

The anti-trust watchdog has amended the Form-II--typically for cases requiring detailed examination to assess the likely effect of the combination on competition in India.

*For details:*

[https://www.business-standard.com/article/economy-policy/cci-to-enforce-stricter-m-a-disclosure-requirements-starting-may-1-122040401208\\_1.html](https://www.business-standard.com/article/economy-policy/cci-to-enforce-stricter-m-a-disclosure-requirements-starting-may-1-122040401208_1.html)

## ❖ **Ethics and Governance News**

### **• Systems in place to prevent slips: BharatPe's CEO Suhail Sameer (April 5, 2022)**

BharatPe will focus on changing certain governance practices, including how procurement takes place within the firm and improving compliance and transparency, the fintech company's CEO Suhail Sameer has said. This comes on the back of Alvarez & Marsal submitting its final audit investigation report to the company board. In one of his first interviews post internal audits and the controversy over former managing director and cofounder Ashneer Grover who stepped down recently, Sameer Suhail also said that BharatPe has accelerated its plans to go public and will look to list on Indian bourses within two years.

*For details:*

<https://economictimes.indiatimes.com/tech/startups/systems-in-place-to-prevent-slips-bharatpes-ceo-suhail-sameer/articleshow/90648010.cms>

### **• IOC, L&T, ReNew join hands for green hydrogen business (April 4, 2022)**

India's top oil firm IOC, engineering and construction giant Larsen & Toubro and renewable energy company ReNew Power on Monday came together to form a joint venture to develop green hydrogen business. Indian Oil Corporation (IOC) and L&T have additionally signed a pact to form a joint venture with equity participation to manufacture and sell electrolyzers used in the production of green hydrogen.

*For details:*

<https://www.moneycontrol.com/news/business/ioc-lt-renew-join-hands-for-green-hydrogen-business-8314181.html>

- **Global emissions can be halved by 2030 with major transitions in energy sector: IPCC report (April 4, 2022)**

Global emissions can be halved by 2030 with major transitions in the energy sector, including a substantial reduction in fossil fuel use, said an IPCC report released on Monday, highlighting that mitigation action needs to be taken now to limit global warming to 1.5 degrees Celsius. The Intergovernmental Panel on Climate Change (IPCC) Working Group III report 'Climate Change 2022: Mitigation of Climate Change', which was released worldwide, said that in 2010-2019, the average annual global greenhouse gas emissions were at their highest levels in human history.

*For details:*

<https://economictimes.indiatimes.com/industry/renewables/global-emissions-can-be-halved-by-2030-with-major-transitions-in-energy-sector-ipcc-report/articleshow/90648305.cms>

**Prepared by Directorate of Academics**

*For any suggestions, please write to [academics@icsi.edu](mailto: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"

**ICSI 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](http://www.icsi.edu) | [f](#) [t](#) [in](#) [v](#) [p](#) | Online Helpdesk : <http://support.icsi.edu>