

Info Capsule

Wednesday
July 07, 2021

President : CS Nagendra D. Rao

Vice President : CS Devendra V. Deshpande

❖ **Ministry of Finance**

Government brings Department of Public Enterprises under Finance Ministry (July 07, 2021)

The government has brought Department of Public Enterprises (DPE) under the Finance Ministry in a bid facilitate its ambitious disinvestment programme. Earlier, Department of Public Enterprises (DPE) was part of Ministry of Heavy Industries and Public Enterprises.

For details:

<https://economictimes.indiatimes.com/news/economy/policy/govt-brings-dept-of-public-enterprises-under-finance-ministry/articleshow/84196995.cms>



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(Under the jurisdiction of Ministry of Corporate Affairs)

❖ **Legal News**

New regulations to temper claims on food products with Ayurvedic ingredients (July 06, 2021)

FSSAI, Ayush Ministry plan standards for Ayurveda Aahar, including additives. Herbal teas, gooseberry candies, and a host of immunity-building food products with Ayurvedic ingredients that have been taking up a lot of space in Indian Shelves during the pandemic-are likely to come under the purview of these new regulation.

The Ayush ministry will also set up an expert committee to make recommendations to FSSAI on approval for claims and non-specified products. The food safety authority has also proposed a logo for Ayurveda Aahar products that will need to be displayed on labels along with the advisory stating, "Only for dietary use." It has now sought comments from stakeholders on the regulations.

For details:

https://fssai.gov.in/upload/uploadfiles/files/Draft_Notification_Ayurveda_Aahar_05_07_2021.pdf

<https://www.thehindubusinessline.com/economy/policy/new-regulations-to-temper-claims-on-food-products-with-ayurvedic-ingredients/article35178079.ece>

❖ **Securities Laws & Capital Market**

SEBI CIRCULAR

Standard Operating Procedure for listed subsidiary company desirous of getting delisted through a Scheme of Arrangement wherein the listed parent holding company and the listed subsidiary are in the same line of business (July 06, 2021)

SEBI has clarified the criteria that need to be fulfilled by the listed holding company and the listed subsidiary company for the purposes of defining 'same line of business' as under:

- i. Principal economic activities of both firms need to be under the same group as per the National Industrial Classification (NIC) Code.
- ii. At least 50% of revenue from the operations of the listed holding and listed subsidiary company must come from the same line of business.
- iii. In addition, at least 50% of the net tangible assets of the listed holding company and the listed subsidiary must be invested in the same line of business.
- iv. In case of change of name of the listed entities within the last one year, at least 50 percent of the revenue, calculated on a restated and consolidated basis, for the preceding one full year has to be earned by it from the activity indicated by its new name.
- v. The listed holding company and the listed subsidiary have to provide self-certification with respect to both the companies being in the same line of business.

For details:

<https://www.sebi.gov.in/legal/circulars/jul-2021/standard-operating-procedure-for-listed-subsi-dary-company-desirous-of-getting-delisted-through-a-scheme-of-arrangement-wherein-the-listed-parent-holding-company-and-the-listed-subsi-dary-are-in-the-s-50926.html>

SEBI NEWS

Investment advisors cannot take power of attorney from clients: SEBI (July 06, 2021)

In a letter issued to Waterfield Advisors, a SEBI Registered Investment Advisory firm catering to high networth individuals, SEBI provided guidance rejecting the ability of investment advisors to take a Power of Attorney (PoA) from clients. Under SEBI rules, investment advisors can provide implementation services but cannot charge for them. Waterfield had asked whether a PoA can be part of such implementation services.

For details:

<https://www.livemint.com/money/personal-finance/investment-advisors-cannot-take-power-of-attorney-from-clients-sebi-11625586885544.html>

❖ ***Banking and Insurance***

Razorpay, Mastercard launch solution for recurring payments; aims to integrate with over 50 banks (July 06, 2021)

Payments solution provider Razorpay on July 05, 2021 said it has partnered with Mastercard to launch 'MandateHQ' – a payment interface that will help card-issuing banks to enable recurring payments for its customers.

The Reserve Bank of India (RBI) had issued a framework for processing e-mandates on recurring online transactions. It has made Additional Factor of Authentication (AFA) mandatory for all recurring transactions below Rs. 5,000 on debit cards, credit cards, UPI, and other Prepaid Payment Instruments (PPIs), and all stakeholders are required to ensure full compliance with the framework by September 30, 2021.

For details:

<https://www.financialexpress.com/industry/banking-finance/razorpay-mastercard-launch-soln-for-recurring-payments-aims-to-integrate-with-over-50-banks/2285155/>

❖ ***International Business News***

India will be Engine of Global Growth after 2nd Covid Wave (July 06, 2021)

India's strong economic recovery after it emerges from the second wave of Covid-19 infections will be an engine of growth for the global economy, external affairs minister S Jaishankar said on Tuesday, July 06, 2021. Jaishankar made the remarks while addressing the maiden edition of the Indo-Pacific Business Summit organised by the external affairs ministry and Confederation of Indian Industry (CII) as part of efforts to drive post-pandemic economic growth.

For details:

<https://www.hindustantimes.com/india-news/india-will-be-engine-of-global-growth-after-2nd-covid-wave-jaishankar-101625593216278.html>

❖ Business and Economic News

Central Government creates a new Ministry of Co-operation (July 06, 2021)

Ahead of the much awaited cabinet expansion, the Union Government announced the creation of a new ministry named the Ministry of Co-operation to implement the vision of '*Sahkar se Samridhi*' or prosperity through co-operation. The creation of a separate ministry is also indicative of the Union Government's commitment to community based developmental partnership and fulfils the budget announcement made by the Finance Minister.

For details:

<https://www.hindustantimes.com/india-news/central-government-creates-a-new-ministry-of-cooperation-101625591776206.html>

❖ Terminology for today

Fait Accompli

A fait accompli is something that's already done. The phrase fait accompli is French, and it literally means "an accomplished fact."

❖ Market Watch

Stock Market Indices as on 07.07.2021		Foreign Exchange Rates as on 06.07.2021 (https://www.geojit.com/currency-futures/rbi-reference-rate)			
S & P BSE Sensex	53054.76 (+193.58)	INR / 1 USD	INR / 1 EUR	INR / 1 GBP	INR / 1 JPY
Nifty 50	15879.65 (+61.40)	74.26	88.10	102.80	0.67

Prepared by Directorate of Academics

For any suggestions, please write to academics@icsi.edu, or call at 01204082116

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