

Info Capsule

Tuesday
February 15, 2022

President : CS Devendra V. Deshpande

Vice President : CS Manish Gupta

❖ Ministry of Corporate Affairs

Relaxation on levy of additional fees in filing of e-forms AOC-4, AOC-4 (CFS), AOC-4 XBRL, AOC-4 Non-XBRL and MGT-7/MGT-7A for the financial year ended on 31.03.2021 under the Companies Act, 2013 (General Circular No. 01/2022 dated February 14, 2022)

MCA has relaxed the levy of additional fees for annual financial statement/return filings required to be done for the financial year ended on 31.03.2021. It has been provided that no additional fees shall be levied upto 15.03.2022 for the filing of e-forms AOC-4, AOC-4 (CFS), AOC-4 XBRL, AOC-4 Non-XBRL and upto 31.03.2022 for filing of e-forms MGT-7/MGT-7A in respect of the financial year ended on 31.03.2021 respectively. During the said period, only normal fees shall be payable for the filing of the aforementioned e-forms.

For details:

<https://www.mca.gov.in/bin/dms/getdocument?mids=dJwPZuhvXhaS atUCw9YnZA%253D%253D&type=open>



THE INSTITUTE OF
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भारतीय कम्पनी सचिव संस्थान
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Statutory body under an Act of Parliament
(Under the jurisdiction of Ministry of Corporate Affairs)



❖ Securities Laws & Capital Markets

SEBI Circulars

- **Standard Operating Guidelines for the Vault Managers and Depositories - Electronic Gold Receipts (EGR) segment (February 14, 2022)**

In order to ensure ease of compliance for the market participants in the EGR ecosystem, SEBI has issued Standard Operating Guidelines under Regulation 28 of SEBI (Vault Managers) Regulations, 2021 read with Regulation 97 of SEBI (Depositories and Participants) Regulations, 2018. The Standard Operating Guidelines are laid down in Annexure-1 to this circular. Further, as per Chapter IV of the Vault Managers Regulations, the Vault Managers are mandated for creation and extinguishment of EGR. The modalities for deposit of gold, creation of EGR, withdrawal of gold and extinguishment of EGR are stipulated in Annexure-2 to this circular.

For details:

https://www.sebi.gov.in/legal/circulars/feb-2022/standard-operating-guidelines-for-the-vault-managers-and-depositories-electronic-gold-receipts-egr-segment_56064.html

- **Trading features pertaining to the Electronic Gold Receipts (EGR) segment (February 14, 2022)**

SEBI in its Board meeting held on September 28, 2021 approved the framework for Gold Exchange and SEBI (Vault Managers) Regulations, 2021. With a view to specifying the details of various aspects of the trading of EGR on the recognized stock exchange/s, SEBI has prescribed the guidelines on the various subjects covering the trade timings, transaction charges by stock exchanges, call auction in pre-open session, block and bulk Deal etc. in the Annexures to this circular.

For details:

https://www.sebi.gov.in/legal/circulars/feb-2022/trading-features-pertaining-to-the-electronic-gold-receipts-egr-segment_56063.html

SEBI News

- **LIC IPO: DHRP filed with SEBI, govt to offload 5% stake (February 14, 2022)**

The government will sell 5 per cent of its stake in Life Insurance Corporation (LIC), through an initial public offering (IPO), of which 100 per cent is offer for sale. LIC filed its draft red herring prospectus (DRHP) with the market regulator SEBI, thus setting the wheels in motion for the country's largest-ever IPO. In the DRHP filed with the market's regulator SEBI, LIC has said that the government will offload 316.25 million shares of its over 6,325 million shares. The government owns 100 percent of LIC.

For details:

https://www.business-standard.com/article/companies/the-big-bet-lic-files-ipo-papers-with-sebi-govt-to-offload-5-stake-122021400034_1.html

❖ **Banking and Insurance**

- **Finance Minister addresses the Central Board of Directors of Reserve Bank of India (February 14, 2022)**

The 593rd meeting of the Central Board of Directors of Reserve Bank of India was held on February 14, 2022 at New Delhi under the Chairmanship of Shri Shaktikanta Das, Governor. Smt. Nirmala Sitharaman, Hon'ble Union Minister of Finance & Corporate Affairs, addressed the Directors of the Central Board. The Hon'ble Finance Minister in her address outlined the thinking behind the Union Budget 2022-23 and the priorities of the Government. The Board in its meeting reviewed the current economic situation, global and domestic challenges.

For details:

https://www.rbi.org.in/Scripts/BS_PressReleaseDisplay.aspx?prid=53268

- **EY likely to be key prosecution witness in Rs. 22,482-crore ABG Shipyard fraud case (February 15, 2022)**

EY is likely to be a key prosecution witness in the probe against ABG Shipyard, which has been booked by the Central Bureau of Investigation (CBI) for allegedly duping banks of over ₹22,482 crore, said people in the know. The London-headquartered professional services company had conducted a forensic audit of ABG Shipyard and submitted its report in January 2019 to a consortium of 28 banks allegedly defrauded by the Surat-based ship builder in what is termed as the country's biggest bank fraud.

For details:

<https://economictimes.indiatimes.com/news/india/ey-likely-to-be-key-prosecution-witness-in-rs-22482-crore-abg-shipyard-fraud-case/articleshow/89579507.cms>

- **RBI DG Rabi Sankar asks for complete ban on cryptocurrencies in India (February 15, 2022)**

Days after the Union Budget proposed taxing cryptocurrencies, which gave rise to apprehensions of legitimising them, an Reserve Bank of India (RBI) official has asked for a complete ban on such virtual currencies citing threat to macroeconomic stability. In a speech to bankers on February 14, 2022, RBI deputy governor T Rabi Sankar demolished all the arguments for allowing cryptocurrencies in India as none of them pass basic scrutiny.

For details:

https://www.business-standard.com/article/finance/rbi-dg-rabi-sankar-asks-for-complete-ban-on-cryptocurrencies-in-india-122021401710_1.html

❖ **Business and Economic News**

- **IL&FS group to resolve debt of Rs. 55,000 crore by March 2022 (February 14, 2022)**

IL&FS group would resolve debt of Rs. 55,000 crore by March 2022, the board of the crisis-hit company has stated in its affidavit filed before the National Company Law Appellate Tribunal (NCLAT). While updating the progress of the resolution progress, the IL&FS board, led by Shri. Uday Kotak, said Rs. 55,000 crore debt would be resolved through asset monetisation, restructuring and insolvency proceeding initiatives. The IL&FS had a total outstanding debt of Rs. 99,355 crore as of October 8, 2018, of which Rs. 45,500 crore debt is handled through debt resolution initiatives by March 2022.

For details:

https://www.business-standard.com/article/companies/il-fs-group-to-resolve-debt-of-rs-55-000-crore-by-march-2022-122021400046_1.html

- **NCLAT adjourns hearing on Amazon plea seeking stay on CCI order to Feb 25 (February 14, 2022)**

The National Company Law Appellate Tribunal (NCLAT) on February 14, 2022 adjourned till February 25, 2022, the hearing on the plea of e-commerce major Amazon, seeking an interim stay over the order passed by fair trade regulator CCI, which suspended the over-two-year-old approval for its deal with Future Coupons Pvt. Ltd. (FCPL).

When the matter was called for hearing, a two-member bench expressed its difficulties to take up the matter on February 14, 2022, as one of the members is retiring in the next four days, after completing his tenure. In this matter, NCLAT would also have to hear other parties such as fair trade regulator CCI, before passing an order and it would take some more time and then the retiring member would not be a part of the bench.

In December, the CCI had suspended the Amazon-FCPL deal saying that the US e-commerce major had suppressed information while seeking clearances for the transaction back then.

For details:

https://www.business-standard.com/article/current-affairs/nclat-adjourns-hearing-on-amazon-s-plea-to-stay-cci-s-order-till-feb-25-122021400631_1.html

❖ **Ethics and Governance News**

- **Renault India partners CSC e-Governance Services to support PM Gramin Digital Saksharta Abhiyaan (February 14, 2022)**

Automaker Renault India on Monday said it has partnered with CSC e-Governance Services (Common Service Centres) to support the Pradhan Mantri Gramin Digital Saksharta Abhiyaan (PMGDISHA), the country's flagship programme that aims to provide digital literacy to masses.

For details:

<https://www.moneycontrol.com/news/business/renault-india-partners-csc-e-governance-services-to-support-pm-gramin-digital-saksharta-abhiyaan-8089861.html>

- **IndusInd Bank's internal investigation hints at procedural lapses by Bharat Financial Inclusion (February 14, 2022)**

IndusInd Bank's internal probe is alleged to have discovered procedural lapses by its wholly owned subsidiary Bharat Financial Inclusion (BFIL) in loan disbursements to microfinance debtors at the height of the pandemic. Deloitte India, which is doing an exterior evaluation on the matter, is more likely to submit its report in a week's time, two people familiar with the issue said.

For details:

<https://www.pehalnews.in/indusind-banks-internal-investigation-hints-at-procedural-lapses-by-bharat-financial-inclusion/1635293/>

❖ **Market Watch**

Stock Market Indices as on 15.02.2022

S & P BSE Sensex	58142.05 (+1,736.21)
Nifty 50	17352.45 (+509.65)

Foreign Exchange Rates as on 14.02.2022

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

INR / 1 USD	INR / 1 EUR	INR / 1 GBP	INR / 1 JPY
75.49	85.47	102.14	0.65

❖ *Terminology for today*

X- Efficiency

X-efficiency refers to the degree of efficiency maintained by firms under conditions of imperfect competition. Efficiency in this context means a company getting the maximum outputs from its inputs, including employee productivity and manufacturing efficiency. In a highly competitive market, firms are forced to be as efficient as possible to ensure strong profits and continued existence. This is not true in situations of imperfect competition, such as with a monopoly or duopoly.

Prepared by Directorate of Academics

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