

Info Capsule

Friday
February 18, 2022

President : CS Devendra V. Deshpande

Vice President : CS Manish Gupta

❖ Indirect Tax

Goods and Services Tax

- **Setup of 'GST Refund Help Desk' in the office of Pr. CCA, CBIC (February 17, 2022)**

The office of Pr. CCA, CBIC has setup a 'GST Refund Help Desk' for addressing payment related problems faced by the taxpayers. Contact details of the Help Desk is as under:

Name of Nodal Officer :
Ms Anita Rawat, Accounts
Officer

Toll Free Helpline Number :
1800-11-1424

Mail ID :
gstrefunds-helpdesk@gov.in

For details:
<https://www.gst.gov.in/newsandupdates/read/523>



**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

- **Corrigendum to Master Circular for Depositories dated February 05, 2021 on Opening of demat account in case of HUF (February 17, 2022)**

SEBI has issued a Corrigendum to its Master Circular for Depositories dated February 05, 2021 on Opening of demat account in case of HUF. It has been provided that *"In the event of death of Karta of HUF, the name of the deceased Karta in the Beneficial Owner (BO) account shall be replaced by the new Karta appointed by the member of the HUF who in such a case shall be senior most member of the family"*. It may be noted that the other provisions of the Master Circular will remain unchanged.

For details:

https://www.sebi.gov.in/legal/circulars/feb-2022/corrigendum-to-master-circular-for-depositories-dated-february-05-2021-on-opening-of-demat-account-in-case-of-huf_56130.html

SEBI News

- **NSE's 2016 DRHP filing made only a brief reference to Anand Subramanian (February 17, 2022)**

The country's largest bourse NSE had filed its draft red herring prospectus (DRHP) with market regulator Securities and Exchange Board of India (SEBI) in December 2016. The filing for its Rs 10,000-crore IPO came in less than two months of Anand Subramanian stepping down as Group Operating Officer and Advisor to MD and within weeks of then MD & CEO Chitra Ramkrishna's resignation. She quit in the wake of the colocation scandal and due to alleged irregularities over appointment and elevation of Subramanian. The DRHP, which is supposed to enlist all the key risk factors, has only a brief mention about Subramanian. The DRHP is silent on the frequent reminders sent by SEBI to NSE seeking a report on Subramanian.

For details:

https://www.business-standard.com/article/markets/nse-s-2016-drhp-filing-made-only-a-brief-reference-to-anand-subramanian-122021701050_1.html

❖ **Banking and Insurance**

- **Holding more than one Certificate of Registration to one group - IRDAI (Registration and Operations of Branch Offices of Foreign Reinsurers other than Lloyd's) Regulations, 2015 (February 16, 2022)**

Clause (d) of sub section (9) of Section 2 of Insurance Act, 1938 provides that a “foreign company” engaged in reinsurance business can transact the business of reinsurance through a branch in India. Accordingly, it is clarified that where the ‘applicant’ as defined under Regulation 2(b) of the IRDAI (Registration and Operations of Branch Offices of Foreign Reinsurers other than Lloyd's) Regulations, 2015 falls within a group, no other entity of that group shall be eligible to apply for Certificate of Registration to act as Foreign Reinsurance Branch in India. The above instruction comes into force from the date of this Circular.

For details:

https://www.irdai.gov.in/ADMINCMS/cms/whatsNew_Layout.aspx?page=PageNo4647&flag=1

- **Banking sector in best of health in decades, says India Ratings (February 17, 2022)**

India Ratings and Research (Ind-Ra) on February 17, 2022 said it has revised the outlook on the overall banking sector for FY23 to ‘improving’ from ‘stable’, as the banking system’s health is at its best in decades. The improving health trend that began in FY20 is likely to continue into FY23, it said, adding that key financial metrics are likely to continue to show improvement in FY23, backed by strengthened balance sheets and an improving credit demand outlook.

For details:

<https://www.livemint.com/industry/banking/banking-sector-in-best-of-health-in-decades-says-india-ratings-11645082071643.html>

- **ABG Shipyard allegedly used 38 overseas companies to divert funds (February 18, 2022)**

ABG Shipyard allegedly used 38 related overseas companies and 60 Indian firms to divert funds borrowed from banks, said people aware of investigation into what is being pegged as country's biggest bank fraud of Rs. 22,842 crore. As per available information, the agencies will write to foreign countries seeking information of the said 38 overseas related companies used for alleged diversion of funds.

For details:

<https://economictimes.indiatimes.com/industry/transportation/shipping/-/transport/abg-shipyard-allegedly-used-38-overseas-firms-to-divert-funds/articleshow/89649530.cms>

- **Bank loans to industries get momentum after 21 months (February 18, 2022)**

Bank loans to industries crossed the Rs. 29 lakh crore mark for the first time in 21 months and settled at Rs. 29.85 lakh crore at the end of December, with an improvement in consumer and business confidence that laid the pitch for sustained economic revival. Top bankers expect the momentum to continue, with an increase in demand and the government placing its thrust on infrastructure spending and capacity expansion.

For details:

<https://economictimes.indiatimes.com/industry/banking/finance/banking/bank-loans-to-industries-gets-momentum-after-21-months/articleshow/89644675.cms>

❖ **Technology and Automation**

- **What is Github? (February 18, 2022)**

Owned by Microsoft, Github is the world's largest open source platform where you can store any code, software or app which you may have developed. On its website, it boasts of hosting over 73 million software developers and four million organisations. And, as the word open source suggests, it is free for all and free from all kinds of scrutiny. Anyone can put any app or code on it for others to see. Unlike what happens on Apple's Play Store or on its Samsung's equivalent, where every app goes through several levels of scrutiny before making it to the mobile phone's application store.

For details:

https://www.business-standard.com/podcast/technology/what-is-github-122021800055_1.html

- **Juspay Technologies launches solution for interoperability of PPIs (February 17, 2022)**

Fintech firm Juspay Technologies on February 17, 2022 launched a solution which helps Prepaid Payment Instruments (PPI) like digital wallets implement and comply with RBI's PPI interoperability regulation. The launch of 'Openppi' follows the May 2021 regulation from RBI mandating prepaid cards and wallets that are full-KYC-compliant to be fully interoperable by March 2022.

For details:

https://www.business-standard.com/article/companies/juspay-technologies-launches-solution-for-interoperability-of-ppis-122021701145_1.html

❖ **Environment Laws**

Government notifies Guidelines on Extended Producers Responsibility on plastic packaging under Plastic Waste Management Rules, 2016 (February 18, 2021)

Ministry of Environment, Forest and Climate Change has notified the Guidelines on Extended Producers Responsibility on plastic packaging under Plastic Waste Management Rules, 2016. The guidelines on extended producer responsibility coupled with prohibition of identified single use plastic items, which have low utility and high littering potential, with effect from 1st July 2022, are important steps for reducing pollution caused due to littered plastic waste in the country.

For details:

<https://pib.gov.in/PressReleaseDetail.aspx?PRID=1799170>

❖ **Business and Economic News**

Settle Hero trademark row via arbitration: Delhi HC to Munjals (February 17, 2022)

The Munjal brothers were entangled in a legal battle to claim ownership of the Hero brand. Vijay Munjal, who, along with his son Naveen Munjal, owns Hero Electric, the largest electric two-wheeler company, had moved the Delhi High Court in October, 2021 against his cousin Pawan Munjal, promoter and chairman of Hero MotoCorp, seeking an injunction on Hero MotoCorp using the brand name for its upcoming electric two-wheeler products.

In a boost for Hero MotoCorp's EV plans, the Delhi High Court hasn't barred the company from using Hero brand name for its electric vehicles, but has instead asked the Munjal scions to settle the dispute through an arbitration. The arbitration panel includes three retired judges.

Hero MotoCorp is planning to launch its first EV product in March, 2022 which is likely to be an electric scooter. The company said that Hero's existing strength from the traditional IC engine business like in distribution, sourcing, manufacturing or logistics will help to reduce investment in EV helping to cut cost of the product, helping it to gain an upper hand over well-funded new age start-ups like Ola Electric who are entering the EV business.

For details:

https://www.business-standard.com/article/companies/hero-electric-retracts-injunction-notice-against-hero-motocorp-on-brand-use-122021701223_1.html

❖ **Ethics and Governance News**

• **First Green Hydrogen Policy offers sops to makers and users both (February 17, 2022)**

The government on Thursday launched the country's first green hydrogen policy as part of its energy transition plan. The objective is to reduce fossil fuel usage and increase penetration of green fuels. The policy follows Prime Minister Narendra Modi's announcement about a National Hydrogen Mission last Independence Day. The new policy provides several incentives for manufacturers, consumers of green hydrogen and green ammonia. It's a welcome development for the industry, including big businesses such as Reliance Industries (RIL) and Adani Enterprises. Existing renewable energy generation companies such as ACME group and ReNew Power would also be able to utilise their existing green energy capacity to manufacture green fuels.

For details:

https://www.business-standard.com/article/economy-policy/first-green-hydrogen-policy-offers-sops-to-makers-and-users-both-122021701209_1.html

• **Chitra Ramkrishna, Subramanian ran money making scheme, alleges SEBI (February 17, 2022)**

Former NSE MD & CEO Chitra Ramkrishna and Group Operating Officer and her Advisor Anand Subramanian ran a money-making scheme during their stint at the National Stock Exchange (NSE), market regulator, Securities and Exchange Board of India (SEBI) has alleged. The order passed by SEBI dated February 11 highlights frequent increase in Subramanian's compensation package without proper appraisal, documentation or file notings and with no involvement of the Human Resource (HR) head or the Nomination and Remuneration Committee (NRC). Furthermore, the order talks about Subramanian being directed to "withdraw and surrender" to the unknown person a gross amount per month as "gratitude."

For details:

https://www.business-standard.com/article/markets/chitra-ramkrishna-subramanian-ran-money-making-scheme-alleges-sebi-122021700870_1.html

• **Shareholder Dissent At Nykaa, Burger King And Sun TV (February 16, 2022)**

Three companies in different industries and of different vintage have a shared problem: displeased investors. The most recent case is of FSN E-Commerce Ventures Ltd., the owner of popular beauty and fashion e-commerce platform Nykaa. FSN E-Commerce Ventures, which listed in late 2021, sought to amend its articles of association. The amendments entrench the promoter powers regarding chairman and board appointments. 80% of the institutional votes cast were against the proposal, yet it passed due to promoter and private equity investor support.

For details :

<https://www.bloombergquint.com/business/shareholder-dissent-at-nykaa-burger-king-and-sun-tv>

❖ Terminology for today

Data Localisation

Data localization is the practice of keeping data within the region it originated from. For example, if an organization collects data in the UK, they store it in the UK rather than transferring it to another country for processing.

❖ Market Watch

Stock Market Indices as on 18.02.2022

S & P BSE Sensex	57832.97 (-59.04)
Nifty 50	17276.30 (-28.30)

Foreign Exchange Rates as on 17.02.2022

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

INR / 1 USD	INR / 1 EUR	INR / 1 GBP	INR / 1 JPY
74.94	85.17	101.96	0.65

Prepared by Directorate of Academics

For any suggestions, please write to academics@icsi.edu,

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