

Info Capsule

Tuesday
February 22, 2022

President : CS Devendra V. Deshpande

Vice President : CS Manish Gupta

❖ **Technology and Automation**

Why India wants indigenous operating system? (February 22, 2022)

An operating system is a software programme required to operate and manage a computing device like smartphone, tablet, computer, smartwatch etc. It is the operating system that eliminates the need to know coding language to interact with computing devices.

India's plan to support the development of indigenous mobile OS could be aimed at countering the dominance of American tech giants Google and Apple. The Government is looking for capabilities within start-up and academic ecosystems for development of the indigenous operating system.

For details:

https://www.business-standard.com/podcast/technology/why-india-wants-indigenous-operating-system-122022200068_1.html



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❖ **Ministry of Finance**

Press Release

Finance Minister Smt. Nirmala Sitharaman interacts with leaders of financial & capital markets (February 21, 2022)

Union Minister for Finance & Corporate Affairs Smt. Nirmala Sitharaman interacted with the leaders of the financial & capital markets in Mumbai on February 21, 2022. She asked the industry leaders to explore ways to further strengthen the sector. In her opening remarks, the Finance Minister expressed satisfaction about the resilience displayed by the financial markets even during the pandemic times. Smt. Sitharaman urged the market participants to strive for efficiency and transparency to help to channelise the resource for productive investment in the most effective manner. The Finance Minister emphasised that trust and confidence in the financial market are critical to gain traction amongst investors. Smt. Sitharaman also highlighted the important role of market participants in institution-building and for making financial market stronger and investor-friendly. Various ideas and suggestions related to investor awareness, KYC norms, mutual fund penetration, deepening of corporate bonds, commodity derivatives and effectiveness of the market system were also discussed in detail.

For details:

<https://www.pib.gov.in/PressReleasePage.aspx?PRID=1800076>

❖ **Securities Laws & Capital Markets**

SEBI News

- **SAT quashes SEBI order against HDFC Bank for invoking pledged shares (February 21, 2022)**

The Securities Appellate Tribunal (SAT) has quashed an order issued by the Securities and Exchange Board of India (SEBI) against HDFC Bank for invoking shares pledged by broker BRH Wealth Advisor. On January 21, 2021, the market regulator imposed a penalty of Rs. 1 crore on the private sector lender for flouting directions passed in an interim order dated October 07, 2019. SEBI also directed HDFC Bank to deposit Rs. 159 crore along with 7 per cent interest. HDFC Bank had challenged the SEBI directions before SAT. The SAT judgement is critical as there are other lenders who have filed appeals in identical cases.

For details:

https://www.business-standard.com/article/markets/sat-quashes-sebi-order-against-hdfc-bank-for-invoking-pledged-shares-122022101268_1.html

❖ **Indirect Tax**

Goods and Services Tax

- **GSTN enables facility for filing LUT for FY 2022-23 on GST Portal (February 21, 2022)**

The Goods and Services Tax Network (GSTN) has enabled the facility for filing Letter of Understanding (LUT) for Financial Year 2022-23 on the GST Portal. The LUT application is required to be completed before March 31, 2022, or before supply for Exports and SEZ.

For details:

<https://www.taxscan.in/gstn-enables-facility-for-filing-lut-for-fy-2022-23-on-gst-portal/155753/>

- **Correcting inverted duty structure: GST Council likely to revisit plan to hike rate for textiles (February 22, 2022)**

Finance Minister Nirmala Sitharaman said that correcting the inverted duty structure in the textiles value chain is essential to attract investment in the sector. “The correction is required for the production-linked incentive scheme for the sector. Or else, investments are not going to come into certain areas,” she said, addressing a post-Budget meeting with industry and trade representatives in Mumbai.

For details:

<https://www.financialexpress.com/economy/correcting-inverted-duty-structure-gst-council-likely-to-revisit-plan-to-hike-rate-for-textiles/2440951/>

❖ **Banking & Insurance**

• **Banks may not wait for regulation to adopt decentralised finance (February 22, 2022)**

Decentralised Finance or DeFi is fast catching up with bankers and technologists around the globe even as regulations around it are still not in place. Decentralised Finance offers a number of new opportunities to banks to expand their scope and cut costs. The recent decision by JP Morgan to step up efforts in the field of decentralised finance by opening a branch in Metaverse is going to encourage others to take up the opportunities it presents. The launch of the Central Bank Digital Currency (CBDC) will also fuel the move by banks to take up decentralised finance in a big way.

For details:

<https://economictimes.indiatimes.com/industry/banking/finance/banking/banks-may-not-wait-for-regulation-to-adopt-decentralised-finance/articleshow/89740097.cms>

• **Loan fraud: ABG Shipyard's ex-CMD quizzed again (February 22, 2022)**

The CBI on February 21, 2022 questioned Rishi Agarwal, former promoter and Chairman and Managing Director (CMD) of ABG Shipyard, for the second time in connection with the Rs. 22,800-crore loan default by the company. The agency had questioned him last week as well. Following the registration of a case against ABG Shipyard and Agarwal, the CBI had opened Lookout Circulars (LoC) against Agarwal and other accused to prevent them from fleeing abroad.

For details:

<https://indianexpress.com/article/india/delhi/loan-fraud-abg-shipyards-ex-cmd-quizzed-again-7784383/>

❖ **Insolvency and Bankruptcy**

Sintex lenders to seek extra time from NCLT to complete resolution process (February 21, 2022)

Lenders of Sintex Industries will approach the National Company Law Tribunal (NCLT) to seek an extension of time for the completion of the Corporate Insolvency Resolution Process (CIRP) and select a bidder for the debt-ridden textiles maker. The Committee of Creditors (CoC) in a meeting held on February 21, 2022 "discussed and approved the proposal for extension of CIRP period beyond 330 days", Sintex Industries said in a regulatory filing.

For details:

https://www.business-standard.com/article/companies/sintex-lenders-to-seek-extra-time-from-nclt-to-complete-resolution-process-122022101172_1.html

❖ **Business and Economic News**

The \$8.5 billion TVS Group splits to grow: What's changed structure-wise? (February 22, 2022)

The \$8.5 billion TVS Group received final approval for a family resettlement on February 04 from the National Company Law Tribunal (NCLT). It is an arrangement that is noteworthy because unlike many other corporate settlements this one was sorted out amicably and without any open conflicts. The Memorandum of Family Arrangement (MFA) by four branches of the TVS Group — T S Rajam, T S Krishna, T S Srinivasan and T S Santhanam families — is seen as a move to facilitate a smooth succession for the next generation, ensuring that each family group will get complete ownership of the businesses they manage.

For details:

https://www.business-standard.com/article/automobile/the-8-5-billion-tvs-group-splits-to-grow-what-s-chan-ged-structure-wise-122022101372_1.html

❖ **Ethics and Governance News**

- **Women reluctant to join company boards, difficult to find those who are interested: Nirmala Sitharaman (February 21, 2022)**

Union Finance Minister Nirmala Sitharaman on February 21, 2022 rued that women are reluctant to join company boards and she has herself struggled to convince candidates. The remarks come even as the statutes mandate top 1,000 companies to have at least one independent woman director.

For details:

<https://economictimes.indiatimes.com/news/company/corporate-trends/women-reluctant-to-join-company-boards-difficult-to-find-those-who-are-interested-nirmala-sitharaman/articleshow/89727412.cms>

- **New CSR disclosure framework to help in data analytical work, enhance transparency (February 20, 2022)**

The new disclosure framework for CSR spending by companies will help gather granular details for analytical purposes and also bring greater transparency with respect to expenditure, according to a senior government official. The Corporate Social Responsibility (CSR) regime, applicable for certain class of profitable companies, came into force in April, 2014 and official data available up to September 30, 2021, showed that an amount of Rs. 8,828.11 crore was spent towards such works in the last financial year.

For details:

<https://economictimes.indiatimes.com/news/company/corporate-trends/new-csr-disclosure-framework-to-help-in-data-analytical-work-enhance-transparency/articleshow/89702703.cms>

- **Entrepreneurs to take country to higher growth, prosperity: Marico Chairman Harsh Mariwala (February 21, 2022)**

Entrepreneurs will lead the country to higher growth and prosperity, Marico Chairman Harsh Mariwala on February 21, 2022 opined and suggested businesses to adopt a transformative 'Digital Approach' for sustainable growth. Highlighting the role of digitisation, Mariwala said the industry should prioritise their digital initiatives and avail this business growth opportunity with a right approach.

For details:

<https://economictimes.indiatimes.com/news/company/corporate-trends/entrepreneurs-to-take-country-to-higher-growth-prosperity-marico-chairman-harsh-mariwala/articleshow/89726807.cms>

❖ Market Watch

Stock Market Indices as on 22.02.2022	
S & P BSE Sensex	57300.68 (-382.91)
Nifty 50	17092.20 (-114.45)

Foreign Exchange Rates as on 21.02.2022 (https://www.geojit.com/currency-futures)			
INR / 1 USD	INR / 1 EUR	INR / 1 GBP	INR / 1 JPY
74.47	84.45	101.37	0.65

Prepared by Directorate of Academics

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