

# Info Capsule

Friday  
February 25, 2022

**President : CS Devendra V. Deshpande**

**Vice President : CS Manish Gupta**

## ❖ Indirect Tax

### Goods and Services Tax

**E-invoicing will be mandatory for taxpayers whose aggregate turnover is more than ₹20 crores (Notification No. 01/2022 - Central Tax dated February 24, 2022)**

CBIC made E-invoicing mandatory for registered persons having aggregate turnover above ₹20 crores in any of the previous years from 2017-18 till 2021-22 with effect from April 01, 2022. The existing limit of ₹50 crores has been reduced to ₹20 crores.

For details:

<https://www.cbic.gov.in/resources//htdocs-cbec/gst/notfctn-01-central-tax-english-2022.pdf>



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## ❖ Securities Laws & Capital Markets

### SEBI Notification

#### • **SEBI (Depositories and Participations) (Amendment) Regulations, 2022 (February 23, 2022)**

SEBI vide its notification dated February 23, 2022, has notified the SEBI (Depositories and Participants) (Amendment) Regulations, 2022, which shall come into force on the date of their publication in the Official Gazette. In regulation 35(a)(viii) of the SEBI (Depositories and Participants) Regulations, 2018, related to consideration of application for grant of certificate of registration of depository participant, the first, second and third provisos have been substituted. It has been provided that the stock broker shall have a net worth of rupees three crores {within one year of the date of notification of the SEBI (Depositories and Participants) (Amendment) Regulations, 2022}, which shall be increased to rupees five crores {within two years of the date of notification of the SEBI (Depositories and Participants) (Amendment) Regulations, 2022}. Provided further that a self-clearing member fulfilling the net worth requirements as provided under the SEBI (Stock Brokers) Regulations, 1992 shall also be eligible to register as a depository participant.

For details:

<https://egazette.nic.in/WriteReadData/2022/233692.pdf>

### SEBI Circulars

#### • **Nomination for Eligible Trading and Demat Accounts – Extension of timelines and relaxations for existing account holders (February 24, 2022)**

SEBI, vide its circular dated July 23, 2021 had mandated submission of nomination details/declaration for opting out of nomination for investors opening new trading and or demat accounts. The circular also prescribed mandatory furnishing of the aforesaid information for all

existing eligible trading and demat account holders on or before March 31, 2022, failing which the trading accounts shall be frozen for trading and demat account shall be frozen for debits. SEBI has extended the timeline till March 31, 2023 for existing trading and demat account holders to provide choice of nomination or opt out of nomination. Further, re-submission of nomination details shall be optional for the existing investors who have already provided the nomination details. The revised format of the nomination form is given in Annexure –A to this circular.

*For details:*

[https://www.sebi.gov.in/legal/circulars/feb-2022/nomination-for-eligible-trading-and-demat-accounts-extension-of-timelines-and-relaxations-for-existing-account-holders\\_56399.html](https://www.sebi.gov.in/legal/circulars/feb-2022/nomination-for-eligible-trading-and-demat-accounts-extension-of-timelines-and-relaxations-for-existing-account-holders_56399.html)

- **Segregation and Monitoring of Collateral at Client Level – Extension of timeline (February 24, 2022)**

SEBI extended the deadline for implementation of segregation and monitoring of collateral at client level to May 2, 2022. The previous timeline was February 28, 2022. In July last year, SEBI came out with guidelines on client-level segregation amid instances of misuse of client collateral by trading member/ clearing member. SEBI has received requests from various stakeholders to further extend the aforesaid timeline.

*For details:*

[https://www.sebi.gov.in/legal/circulars/feb-2022/segregation-and-monitoring-of-collateral-at-client-level-extension-of-timeline\\_56393.html](https://www.sebi.gov.in/legal/circulars/feb-2022/segregation-and-monitoring-of-collateral-at-client-level-extension-of-timeline_56393.html)

## **SEBI News**

- **Tech cos going public, ESG key challenges to capital markets: SEBI chief (February 24, 2022)**

SEBI chief Mr. Ajay Tyagi said that the increasing trend of new age technology companies, which are generally loss making, accessing public market is a key challenge to the capital markets. In addition, the flourishing landscape of ESG (environment, social, governance) investments is another major challenge to the capital markets due to absence of uniform ESG evaluation matrices. Also, the regulator is in the process of notifying the detailed modalities for the proposed Social Stock Exchange, a platform for listing social enterprises and voluntary organisations so that they can raise capital.

*For details:*

[https://www.business-standard.com/article/economy-policy/tech-cos-going-public-esg-key-challenges-to-capital-markets-sebi-chief-122022400937\\_1.html](https://www.business-standard.com/article/economy-policy/tech-cos-going-public-esg-key-challenges-to-capital-markets-sebi-chief-122022400937_1.html)

## ❖ **Business and Economic News**

### • **Delhi HC adjourns Amazon-Future case to February 28, 2022 (February 25, 2022)**

The Delhi High Court will, on February 28, 2022, continue hearing arguments in an 18-month-long dispute between Amazon and Future Group. Meanwhile, the National Company Law Tribunal (NCLT) has set March 04, 2022 as the next date for hearing a combination of cases between Amazon and Future Retail (FRL).

FRL had approached the NCLT seeking approval for a shareholder meeting to get clearance for its plan to sell assets to Reliance Retail. Amazon has opposed the shareholder meeting as well as the deal that the US-based company claims was in violation of its investment agreement in a promoter firm of FRL.

*For details:*

<https://economictimes.indiatimes.com/industry/services/retail/delhi-hc-adjourns-amazon-future-case-to-monday/articleshow/89810407.cms>

### • **SARFAESI Act has Overriding Effect on Central Excise Act; Dues of Secured Creditor has Priority Over Dues of Central Excise Dept.: Supreme Court (February 24, 2022)**

The Supreme Court observed that the SARFAESI Act will have an overriding effect on the provisions of the Central Excise Act. The Commissioner Customs and Central Excise ordered the confiscation of all the land, building, plant, machinery etc. of RIL. This confiscation order was passed under rule 173Q (2) of the Central Excise Rules, 1944. One of the issues that arose in this case was whether the dues of the Excise department would have priority over the dues of the Secured Creditors? In this case, the Punjab National Bank, as the secured creditor, had issued notice to RIL under section 13(2) of the SARFAESI Act, 2002. The Allahabad High Court dismissed the writ petition filed by the bank.

*For details:*

<https://www.livelaw.in/top-stories/supreme-court-sarfaesi-central-excise-act-secured-creditor-punjab-national-bank-vs-union-of-india-192757#:~:text=The%20Supreme%20Court%20observed%20that,of%20the%20Central%20Excise%20Department>

## ❖ ***Ethics and Governance News***

- **NSE Scam- CBI arrests former bourse chief Chitra Ramkrishna's advisor Anand Subramanian (February 25, 2022)**

The Central Bureau of Investigation (CBI) on February 25 arrested Anand Subramanian, a former top official of the National Stock Exchange (NSE), in connection with alleged favour dolled out to certain traders. The development comes as authorities pressed ahead with an investigation into the NSE scam case where certain private individuals and unknown NSE and SEBI officials were accused of preferential access to the NSE's server architecture and misuse of colocation facility.

*For details:*

<https://www.moneycontrol.com/news/business/companies/cbi-arrests-anand-subramanian-in-alleged-stock-market-manipulation-case-8161851.html>

- **Hindustan Unilever separates positions of Chairman and CEO & MD (Feb 25, 2022)**

Hindustan Unilever (HUL) has separated the positions of chairman of the board and the chief executive officer & managing director (CEO & MD), which will be effective March 31. The FMCG major has announced the appointment of Mr. Nitin Paranjpe, currently chief operating officer of Unilever, as the non-executive chairman of the company. Mr. Sanjiv Mehta will continue as CEO & MD.

*For details:*

[https://www.business-standard.com/article/companies/hindustan-unilever-separates-positions-of-chairman-and-ceo-md-122022400908\\_1.html#:~:text=Hindustan%20Unilever%20separates%20positions%20of%20Chairman%20and%20CEO%20%26%20MD,-Sharleen%20D'Souza&text=Hindustan%20Unilever%20\(HUL\)%20has%20separated,will%20be%20effective%20March%2031.](https://www.business-standard.com/article/companies/hindustan-unilever-separates-positions-of-chairman-and-ceo-md-122022400908_1.html#:~:text=Hindustan%20Unilever%20separates%20positions%20of%20Chairman%20and%20CEO%20%26%20MD,-Sharleen%20D'Souza&text=Hindustan%20Unilever%20(HUL)%20has%20separated,will%20be%20effective%20March%2031.)

## ❖ ***Terminology for today***

### **Ascending Triangle**

An ascending triangle is a chart pattern used in technical analysis. It is created by price moves that allow for a horizontal line to be drawn along the swing highs and a rising trend line to be drawn along the swing lows. The two lines form a triangle. Traders often watch for breakouts from triangle patterns. The breakout can occur to the upside or downside.

## ❖ **Technology and Automation**

### **Meta to break language barriers with AI, builds universal speech translator (February 24, 2022)**

Mr. Mark Zuckerberg, the CEO of Meta, which owns Facebook, wants to break language barriers across the globe using artificial intelligence (AI). Meta announced an ambitious AI driven project, which will be key to building its Metaverse. The company said that it is building a universal speech translator, along with an AI powered virtual assistant.

For details:

[https://www.business-standard.com/article/technology/meta-to-break-language-barriers-with-ai-builds-universal-speech-translator-122022400693\\_1.html#:~:text=Meta%20to%20break%20language%20barriers%20with%20AI%2C%20builds%20universal%20speech%20translator,-Shivani%20Shinde%20%7C%20Mumbai&text=Mark%20Zuckerberg%2C%20the%20CEO%20of,key%20to%20building%20its%20Metaverse](https://www.business-standard.com/article/technology/meta-to-break-language-barriers-with-ai-builds-universal-speech-translator-122022400693_1.html#:~:text=Meta%20to%20break%20language%20barriers%20with%20AI%2C%20builds%20universal%20speech%20translator,-Shivani%20Shinde%20%7C%20Mumbai&text=Mark%20Zuckerberg%2C%20the%20CEO%20of,key%20to%20building%20its%20Metaverse)

## ❖ **Market Watch**

### **Stock Market Indices as on 25.02.2022**

S & P BSE Sensex	55858.52 (+1,328.61)
Nifty 50	16658.40 (+410.45)

### **Foreign Exchange Rates as on 24.02.2022**

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

INR / 1 USD	INR / 1 EUR	INR / 1 GBP	INR / 1 JPY
75.27	84.36	101.08	0.65

**Prepared by Directorate of Academics**

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

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