

Info Capsule

Wednesday
November 30, 2022

President

CS Devendra V. Deshpande

❖ *Indirect Tax*

Goods and Services Tax

- **CBIC issues instructions providing manner of processing & sanctioning refunds of IGST paid by risky exporters (Instruction No. 04/2022 dated November 28, 2022)**

Rule 96 of the CGST Rules has been amended to provide that the refund of IGST paid on exports of goods may be withheld in case of risky exporters identified by Directorate General of Analytics and Risk Management (DGARM). In this regard, the CBIC has issued a detailed instruction providing the manner of processing and sanctioning refund in such cases.

For details:

<https://taxinformation.cbic.gov.in/view-pdf/1000453/ENG/Instructions>



**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)



❖ *Latest @ ICSI*

- **Feedback on Company Forms in MCA21-V3**

As you are aware, 9 Company forms (DIR3-KYC, DIR3-KYC web, CHG-1,4,6,8,9, DPT-3, DPT-4) are available in V3 portal of MCA for filing purposes.

The Institute of Company Secretaries of India, in its attempt to further facilitate the stakeholders and ensure smooth transition and implementation, is sharing your feedback to the Ministry of Corporate Affairs (MCA) on regular basis. Such feedback is constantly and closely monitored by MCA at all levels for timely resolution.

We request you to share your inputs/ issues/suggestions on filing of Company Forms in MCA V3 at the link given below:

For details:

<https://forms.gle/nJsPM1psPWuqnYtt6>

- **ICGN Governance, Stewardship and Sustainability Course- 5, 7 & 9 December 2022**

ICGN Governance, Stewardship and Sustainability fast track training course will be taking place on the 5, 7 & 9 December 2022, from 15:00 - 17:30 GMT, running in three 2.5 hour webinars. As a governance professional, the course provides you with the need-to-know knowledge regarding the theoretical, empirical and especially practical aspects of integrating ESG into investor and company decision making. To register visit www.icgn.org/gssdecember or email Hannah Gardner (Education and Events Coordinator) athannah.gardner@icgn.org.

For details:

https://www.icsi.edu/media/webmodules/29112022_ICGN.pdf

❖ **Securities Laws & Capital Market**

SEBI News

• **SEBI set-ups panel to review takeover rules (November 29, 2022)**

SEBI has set up a high-level panel to review the takeover norms in a move to simplify and strengthen the current rules by adopting appropriate global practices. Also, the regulator will assess the current rules in the light of past judicial pronouncements and various informal guidelines issued by the capital markets regulator. The 20-member committee will be chaired by former Chief Justice of Punjab and Haryana High Court, Shiavax Jal Vazifdar, an update with the regulator's website showed. The panel, which has representatives of SEBI, stock exchanges BSE and NSE as well as law firms, will advise the regulator on matters related to substantial acquisition of shares and takeovers including measures to facilitate ease of doing business.

For details:

<https://economictimes.indiatimes.com/markets/stocks/news/sebi-set-ups-panel-to-review-takeover-rules/articleshow/95857845.cms>

• **SEBI sets lower single-issuer limits for mutual fund debt schemes (November 29, 2022)**

The Securities and Exchange Board of India (SEBI) has introduced a credit-rating based single issuer limit for actively managed mutual fund schemes, potentially lowering the investment threshold in lower-rated papers. Asset management companies (AMCs) have been directed not to invest more than 10 per cent of the scheme's net asset value (NAV) in AAA-rated debt and money market securities from a single issuer. Schemes will have to limit their exposure at 8 per cent for AA-rated issuers while for instruments below A-rating, 6 per cent has been set as the threshold. These limits will apply to schemes other than credit risk funds.

For details:

https://www.business-standard.com/article/markets/sebi-lowers-single-issuer-limits-for-debt-mutual-fund-schemes-122112901190_1.html

❖ **Market Watch**

Stock Market Indices as on 30.11.2022

S & P BSE Sensex	63099.65 (+417.81)
Nifty 50	18758.35 (+140.30)

Foreign Exchange Rates as on 29.11.2022

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

INR / 1 USD	INR / 1 EUR	INR / 1 GBP	INR / 1 JPY
81.67	84.83	98.30	0.59

❖ **Banking and Insurance**

Operationalisation of Central Bank Digital Currency – Retail (e₹-R) Pilot (November 29, 2022)

The Reserve Bank announces the launch of the first pilot for retail digital Rupee (e₹-R) on December 01, 2022. The e₹-R would be in the form of a digital token that represents legal tender. It would be issued in the same denominations that paper currency and coins are currently issued. The e₹-R would offer features of physical cash like trust, safety and settlement finality. Eight banks have been identified for phase-wise participation in this pilot. The first phase will begin with four banks, viz., State Bank of India, ICICI Bank, Yes Bank and IDFC First Bank in four cities across the country. Four more banks, viz., Bank of Baroda, Union Bank of India, HDFC Bank and Kotak Mahindra Bank will join this pilot subsequently. The pilot would initially cover four cities, viz., Mumbai, New Delhi, Bengaluru and Bhubaneswar and later extend to Ahmedabad, Gangtok, Guwahati, Hyderabad, Indore, Kochi, Lucknow, Patna and Shimla.

For details: https://www.rbi.org.in/Scripts/BS_PressReleaseDisplay.aspx?prid=54773

❖ **IFSCA**

Report of Working Group on Financial Reporting and Capital Structure of IFSC companies in Freely Convertible Foreign Currency (November 29, 2022)

A Working Group was constituted by the Ministry of Corporate Affairs (MCA) inter-alia to examine and make recommendations on necessary amendments in the Companies Act, 2013, Rules made thereunder and Accounting Standards. The group has submitted its report w.r.t identification of provisions of the said Act and Rules made thereunder, requiring amendments/ modifications to enable IFSC Companies to issue securities in freely convertible foreign currency, and related matters.

The Working Group has made its recommendations with a view to facilitate capital structure of IFSC companies in foreign currency and promote ease of doing business. The Working Group has also made its recommendations regarding the transition of the existing IFSC companies from INR to freely convertible foreign currency.

For details: <https://ifsc.gov.in/Viewer/ReportandPublication/41>

❖ **Terminology for today**

28/36 Rule

The term 28/36 rule refers to a common-sense rule used to calculate the amount of debt an individual or household should assume. According to this rule, a household should spend a maximum of 28% of its gross monthly income on total housing expenses and no more than 36% on total debt service, including housing and other debt such as car loans and credit cards. Lenders often use this rule to assess whether to extend credit to borrowers.

❖ **International Business News**

Government lifts ban on exports of organic non-basmati rice (November 29, 2022)

In a notification, the Directorate General of Foreign Trade said the export of organic non-basmati rice, including organic non-basmati broken rice, will now be governed by rules that prevailed before the September ban. The government on Tuesday, November 29, 2022 lifted the ban on exports of organic non-basmati rice, including broken rice after the easing of domestic supplies moderated prices.

For details:

<https://indianexpress.com/article/india/govt-lifts-ban-on-exports-of-organic-non-basmati-rice-8296693/>

❖ **NITI Aayog**

NITI Aayog releases study report on 'Carbon Capture' (November 29, 2022)

A study report, titled 'Carbon Capture, Utilisation, and Storage (CCUS) Policy Framework and its Deployment Mechanism in India', was released on November 29, 2022. The report explores the importance of Carbon Capture, Utilisation, and Storage as an emission reduction strategy to achieve deep decarbonization from the hard-to-abate sectors. The report outlines broad level policy interventions needed across various sectors for its application.

The report indicates that CCUS can provide a wide variety of opportunities to convert the captured CO₂ to different value-added products like green urea, food and beverage form application, building materials (concrete and aggregates), chemicals (methanol and ethanol), polymers (including bio-plastics) and enhanced oil recovery (EOR) with wide market opportunities in India, thus contributing substantially to a circular economy.

The report may be accessed from the Link:

<https://www.niti.gov.in/sites/default/files/2022-11/CCUS-Report.pdf>

For details:

<https://www.pib.gov.in/PressReleasePage.aspx?PRID=1879865>

❖ **Technology and Automation**

IT minister Ashwini Vaishnaw set to discuss Personal Data Bill with legal experts, academics (November 30, 2022)

The Government is scheduled to meet legal experts and academicians this week to get their feedback on the draft Digital Personal Data Protection (DPDP) Bill of 2022, people in the know of the development said. The closed-door meetings, likely to be chaired by Union Electronics and Information Technology Minister Ashwini Vaishnaw, is aimed at getting initial feedback from experts since the draft of the revised bill was released for public consultation on November 18, they said.

For details:

<https://economictimes.indiatimes.com/tech/technology/it-minister-ashwini-vaishnaw-set-to-discuss-personal-data-bill-with-legal-experts-academics/articleshow/95864337.cms?from=mdr>

❖ **Mergers & Acquisitions**

Tata Sons announces merger of Air India and Vistara; Singapore Airlines to own 25.1% in merged entity (November 30, 2022)

Singapore Airlines (SIA) will get a 25.1 per cent stake in the merged entity at an investment of Rs 2,058.5 crore (\$250 million) in Air India as part of the transaction. The enlarged Air India group will have Air India, Vistara, AirAsia India and Air India Express, and the merger of all airlines is targeted for completion by March 2024, subject to regulatory approvals.

Singapore Airlines (SIA) and Tata Sons announced Tuesday that they have agreed to merge Air India and Vistara, with SIA getting a 25.1 per cent stake in the merged entity at an investment of Rs 2,058.5 crore (\$250 million) in Air India as part of the transaction. This 25.1 per cent stake will be in an enlarged Air India group – it will have Air India, Vistara, AirAsia India and Air India Express – and the merger of all airlines is targeted for completion by March 2024, subject to regulatory approvals. The group is already in the process of merging Air India Express and AirAsia India into one entity that will provide low-cost flight options.

For details:

<https://indianexpress.com/article/business/aviation/tata-to-consolidate-air-india-and-vistara-8296375/>

Prepared by Directorate of Academics

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

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