



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)



Azadi Ka  
Amrit Mahotsav

# INFO CAPSULE

## Series - 12

### (451 - 500)



Motto

सत्यं वद। धर्मं चर।

“इष्टकारं कृतं तृप्तं कर्तव्यं कृतं कृतं”

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# Latest @ ICSI

## Info Capsule Series 12

### **ICSI as supporting partner in ASSOCHAM Southern Region Virtual Conference on "Insolvency Landscape - The Tides and Currents of the Journey and the Horizon" on Saturday, 21st May 2022**

Over the past five years, the Insolvency and Bankruptcy Code, 2016 (Code), the Insolvency and Bankruptcy Board of India (IBBI), the Adjudicating Authorities (the NCLT) and the Appellate Authority (the NCLAT) for the matters under the Code have had an eventful journey, including that of handling COVID-19 pandemic induced disruptions. The Government has taken up the Insolvency and Bankruptcy Code amendment amid calls from MSMEs to take up the cause. According to reports, the IBC is likely to see a strengthening, where measures to speed up solving of cases will be taken along with a cross-border insolvency framework. This comes as the micro, small and medium enterprises in India have been facing issues for over five years now. Keeping the view of the above the ASSOCHAM Southern Regional Council is organizing a physical Conference on "Insolvency Landscape - The tides and currents of the Journey and the Horizon" from 10:30-15:00 Hrs on Saturday, 21st May 2022, Virtual Conference.

*For details:*

[https://www.icsi.edu/media/webmodules/11052022\\_Insolvency\\_Virtual\\_Conference\\_21st\\_May\\_Virtually\\_09052022.pdf](https://www.icsi.edu/media/webmodules/11052022_Insolvency_Virtual_Conference_21st_May_Virtually_09052022.pdf)

### **23rd National Conference of Practising Company Secretary**

The Institute of Company Secretaries of India is organizing 23rd National Conference of Practising Company Secretary from 18th - 19th June, 2022 at Aamby Valley, Lonavala, Pune, Maharashtra.

*For details:*

[https://www.icsi.edu/media/filer\\_public/6d/88/6d887945-9037-4622-b857-ccaf3fc285bd/blockyourdiary\\_13052022.pdf](https://www.icsi.edu/media/filer_public/6d/88/6d887945-9037-4622-b857-ccaf3fc285bd/blockyourdiary_13052022.pdf)

### **Instructions to Examinees - June, 2022 Session for Foundation Programme**

CS Foundation Programme would be held on 15th and 16th June, 2022 as per timing given in the admit card. Candidates should read the instructions carefully and strictly follow them while appearing in the examination.

*For details:*

[https://www.icsi.edu/media/webmodules/Instructions\\_Examinees\\_CSFnD\\_Exam\\_June22Session.pdf](https://www.icsi.edu/media/webmodules/Instructions_Examinees_CSFnD_Exam_June22Session.pdf)

### **For CS Executive & Professional Programme**

CS Executive & Professional Programme Examinations to be held from 01st June, 2022 to 10th June, 2022 as per timing given in the admit card. Candidates should read the instructions carefully and strictly follow them while appearing in the examination.

*For details:*

[https://www.icsi.edu/media/webmodules/Instructions\\_Examinees\\_CSExePrf\\_Exam\\_June22Session.pdf](https://www.icsi.edu/media/webmodules/Instructions_Examinees_CSExePrf_Exam_June22Session.pdf)

### **Special Classes in English Language**

The Institute of Company Secretaries of India in association with the British Council, India, offers Everyday English, spoken English & English for workplace Courses for its members and students at British Council Delhi, Kolkata and Chennai Centres at discounted rates.

*For details:*

[https://www.icsi.edu/media/webmodules/Seeking\\_interest\\_for\\_British\\_Council\\_English\\_Language\\_Course.pdf](https://www.icsi.edu/media/webmodules/Seeking_interest_for_British_Council_English_Language_Course.pdf)

### **International Placement Opportunity for Young Company Secretaries**

The Institute is constantly making efforts for enhancing placement opportunities for young professionals in India and abroad. After successfully conducting Mega Placement Drive for Indian companies/firms, the Institute is conducting International Placement Drive. Last date for registration is 27th May 2022 and registration link is <https://forms.gle/zad71iaUBiMFzKu27>

*For details:*

[https://www.icsi.edu/media/webmodules/23052022\\_International\\_Opportunity\\_for\\_CS.pdf](https://www.icsi.edu/media/webmodules/23052022_International_Opportunity_for_CS.pdf)

### **International Webinar on Boardroom Dynamics and its Impact**

The Institute of company Secretaries of India is organizing International Webinar on “Boardroom Dynamics and its Impact” on June 03, 2022 (Friday) 1:00 PM. Webinar Link : <https://ecpl.live/icsi/03062022/>

*For details:*

[https://www.icsi.edu/media/webmodules/31052022\\_3rd\\_june\\_webinar\\_flyer.pdf](https://www.icsi.edu/media/webmodules/31052022_3rd_june_webinar_flyer.pdf)

### **Online Crash Course on Corporate Reporting**

The ICSI with the view to brush up the skills of its Members in area of both Financial and Non-Financial Reporting launches the Online Crash Course on Corporate Reporting. Registration closing dates is June 12, 2022 and Course commencement date is June 13, 2022. Certificate of Completion will be awarded by ICSI to all the candidates, upon successful completion of the crash course and MCQ based assessment test.

*For details:*

[https://www.icsi.edu/media/webmodules/02062022\\_ICSI\\_Crash\\_Course\\_on\\_Corporate\\_Reporting4.jpg](https://www.icsi.edu/media/webmodules/02062022_ICSI_Crash_Course_on_Corporate_Reporting4.jpg)

### **16th International Professional Development and Fellowship Programme-2022 (IPDFP) in France & Switzerland**

The Institute of Company Secretaries of India (ICSI) is organising 16th International Professional Development & Fellowship Programme - 2022 from July 23, 2022 to August 1, 2022 for its members. The International Conference will be held on the July 27, 2022, in Paris. The participating Members will be entitled to the CPE Credits as per ICSI (Continuous Professional Education) Guidelines, 2019.

*For details:*

[https://www.icsi.edu/media/webmodules/03062022\\_IPDFP\\_announcement.pdf](https://www.icsi.edu/media/webmodules/03062022_IPDFP_announcement.pdf)

### **Certificate Course on Valuation of Securities/Financial Assets Registrations Open**

The Institute of Company Secretaries of India and ICSI RVO jointly launched Certificate Course on Valuation of Securities/Financial Assets. This certificate course intends to cover facets including strict timelines as well as finer nuances concerning valuation process. 20 hours of training will be provided through each session of 2 hours through live webinars.

*For details:*

[https://www.icsi.edu/media/webmodules/09062022\\_RVO\\_Flyer.jpg](https://www.icsi.edu/media/webmodules/09062022_RVO_Flyer.jpg)

### **Placement Drive for Experienced Company Secretaries**

The Institute is constantly making efforts for enhancing placement opportunities for young professionals in India and abroad. The primary objective of the Campus Placement for the Corporates is to provide a platform for the Company Secretaries and to offer best talent available to the Corporates. Last date for Registration is Thursday, 16th June 2022 upto 5.00 pm.

*For details:*

<https://www.icsi.edu/media/webmodules/Campus%20Placement%20-%20HPCL%20Flyer.pdf>

### **Campus Placement Drive for Young Company Secretaries**

The Institute is constantly making efforts for enhancing placement opportunities for young professionals in India and abroad. After successfully conducting Mega Placement Drive, the Institute is conducting Campus Placement for the Corporates. The primary objective of the Campus Placement for the Corporates is to provide a platform for the young Company Secretaries and to offer best talent available to the Corporates. Last date for Registration is 29th June 2022 by 5:00 pm.

*For details:*

[https://www.icsi.edu/media/webmodules/CampusPlacement\\_Axis\\_Trustee\\_Services\\_Limited.pdf](https://www.icsi.edu/media/webmodules/CampusPlacement_Axis_Trustee_Services_Limited.pdf)

### **50th National Convention of Company Secretaries -Call for Theme and Sub-Themes**

The Institute is organising its Golden Jubilee National Convention of Company Secretaries from September 1-3, 2022 at Kolkata, West Bengal. The tentative theme for the Convention is 'CS: A Vishwaguru in Governance & Sustainability'. With a view to make the deliberations during the Golden Jubilee National Convention more participative and productive, we urge members to share Themes re-coining the tentative theme and related Subthemes for the National Convention for consideration by the Institute. We request you to kindly suggest the same through e-mail at the email [conference@icsi.edu](mailto:conference@icsi.edu) on or before July 12, 2022 in the specified format.

*For details:*

[https://www.icsi.edu/media/webmodules/06072022\\_50thNationalConventionCallforThemes.pdf](https://www.icsi.edu/media/webmodules/06072022_50thNationalConventionCallforThemes.pdf)

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# Ministry of Corporate Affairs

## Info Capsule Series 12

### **The Companies (Registration of Charges) Amendment Rules, 2022 (April 27, 2022)**

The Ministry of Corporate Affairs (MCA) vide its Notification dated April 27, 2022 has notified the Companies (Registration of Charges) Amendment Rules, 2022 which shall come into force on the date of its publication in the Official Gazette. The amendment inter alia provide that in rule 3 pertaining to registration of creation or modification of Charge, a sub-rule (5) shall be inserted, namely: “Nothing contained in this rule shall apply to any charge required to be created or modified by a banking company under section 77 in favour of the Reserve Bank of India when any loan or advance has been made to it under sub-clause (d) of clause (4) of section 17 of the Reserve Bank of India Act, 1934.”

*For details:*

<https://www.mca.gov.in/bin/dms/getdocument?mcs=GigV%252BdVKmC9d16l5L5Kj5Q%253D%253D&type=open>

### **The companies (Share Capital and debentures) Amendment Rules, 2014 (May 04, 2022)**

The Ministry of Corporate Affairs (MCA) vide its Notification dated May 04, 2022 has notified the companies (Share Capital and debentures) Amendment Rules, 2014 which shall come into force on the date of its publication in the Official Gazette. According to the amendment, in the annexure, in Form No. SH-4 (Securities Transfer Form), before the enclosures, the following declaration shall be inserted, namely:-

- Transferee is not required to obtain the Government approval under the Foreign Exchange management (Non-debt Instruments) Rules, 2019 prior to transfer of shares; or
- Transferee is required to obtain the Government approval under the Foreign Exchange management (Non-debt Instruments) rules, 2019 prior to transfer of shares and the same has been obtained and is enclosed herewith.”

*For details:*

<https://www.mca.gov.in/bin/dms/getdocument?mcs=z0TPPBoxhsbnobHAN7dyxw%253D%253D&type=open>

### **Special court notification for the State of Jharkhand (May 05, 2022)**

The Central Government, with the concurrence of the Chief Justice of the High Court of Jharkhand, designated the Court of Additional Judicial Commissioner, Ranchi in the State of Jharkhand as Special Court for the purposes of providing speedy trial of offences punishable with imprisonment of two years or more as per clause (a) of sub-section (2) of section 435 of the Companies Act, 2013.

*For details:*

<https://egazette.nic.in/WriteReadData/2022/235573.pdf>

### **The Companies (Prospectus and Allotment of Securities) Amendment Rules, 2022 (May 05, 2022)**

The Ministry of Corporate Affairs (MCA) vide its Notification dated May 05, 2022 has notified the Companies (Prospectus and Allotment of Securities) Amendment Rules, 2022 which shall come into force on the date of its publication in the Official Gazette. The amendments inter alia provides :

- i) Insertion of new proviso to Rule 14 of the Companies (Prospectus and Allotment of Securities) Rules, 2014 stating that, no offer or invitation of any securities under rule 14 shall be made to a body corporate incorporated in, or a national of, a country which shares a land border with India, unless such body corporate or the national, as the case may be, have obtained Government approval under the Foreign Exchange Management (Non-debt Instruments) Rules, 2019 and attached the same with the private placement offer cum application letter.
- ii) In Annexure, in Form PAS-4, in Part-B, after serial number (vii), the following shall be inserted, namely :-
  - “(viii) Tick whichever is applicable:-
    - a. The applicant is not required to obtain Government approval under the Foreign Exchange Management (Non-debt Instruments) Rules, 2019 prior to subscription of shares.
    - b. The applicant is required to obtain Government approval under the Foreign Exchange Management (Non-debt Instruments) Rules, 2019 prior to subscription of shares and the same has been obtained, and is enclosed herewith. ”.

*For details:*

<https://egazette.nic.in/WriteReadData/2022/235565.pdf>

### **The Chartered Accountants, the Cost Accountants and the Company Secretaries (Amendment) Act, 2022 (May 11, 2022)**

In exercise of the powers conferred by section 1(2) of the Chartered Accountants, the Cost and Works Accountants and the Company Secretaries (Amendment) Act, 2022, the Central Government appointed the May 10, 2022, as the date on which the following provisions of the said Act shall come into force, namely:

<b>Provisions</b>	<b>Provisions</b>
Sections 1 to 15 (both inclusive)	Section 51 [except clause (i)]
Section 16 [except clause (i)]	Sections 52 to 54 (both inclusive)
Sections 17 to 19 (both inclusive)	Sections 59
Section 24	Sections 63 to 71 (both inclusive)
Sections 28 to 35 (both inclusive)	Sections 74 to 83 (both inclusive)
Section 36 [except clause (i)]	Section 84 [except clause (i)]
Section 37 [except clause (i) & (ii)]	Sections 85 to 87 (both inclusive)
Sections 38 to 50 (both inclusive)	Sections 92, Section 96 to 104 (both inclusive)

*For details:*

<https://egazette.nic.in/WriteReadData/2022/235713.pdf>

### **Guidelines for funding for research studies on Corporate Governance (May 11, 2022)**

The primary objective of the scheme viz., “Funding for Research Studies on Corporate Governance” of the Ministry of Corporate Affairs is to better utilise the repository of corporate sector data available with the Ministry under the MCA21 e-governance system, explore and expand the scope of utilization of MCA-21 Database, formulate research studies.

*For details:*

<https://www.mca.gov.in/bin/dms/getdocument?mds=q3Zsl9WCl2WCALTZV06aNq%253D&type=open>

### **The Companies (Incorporation) Second Amendment Rules, 2022 (May 20, 2022)**

The Ministry of Corporate Affairs (MCA) vide its Notification dated May 20, 2022 has notified the Companies (Incorporation) Second Amendment Rules, 2022 which shall come into force with effect from June 01, 2022. As per the amendment, Form No. INC-9 (Declaration by Subscribers and First Directors) is substituted. The substituted Form inter alia consist declaration in respect of compliance under Foreign Exchange Management (Non-debt Instruments) Rules by inserting below checkboxes:

- I am required to obtain the Government approval under the Foreign Exchange Management (Non-debt Instruments) Rules, 2019 prior to subscription of shares and the same has been obtained, and is enclosed herewith. or
- I am not required to obtain the Government approval under the Foreign Exchange Management (Non-debt Instruments) Rules, 2019 prior to subscription of shares. Further, the Ministry has inserted new declaration in Form No. INC 32 (SPICe+), in part B, namely:

“I, on behalf of proposed directors, hereby declare that person seeking appointment is a national of a country which shares a land border with India, necessary security clearance from Ministry of Home Affairs, Government of India shall be attached with the consent.

Yes  No  (if yes is opted, a copy of the security clearance is to be attached).”

*For details:*

<https://www.mca.gov.in/bin/dms/getdocument?mds=QJAZ8U7iIBs%252FRWVx91HwmQ%253D%253D&type=open>

### **Relaxation in paying additional fees in case of delay in filing Form 11(Annual Return) by Limited Liability Partnerships (May 27, 2022)**

The Ministry of Corporate Affairs (MCA) in view of transition from version-2 of MCA-21 to version-3 and to promote compliance on part of LLPs, it has been decided to allow LLPs to file e-Form 11 (Annual Return of Limited Liability Partnerships) for the Financial Year 2021-2022 without paying additional fees up to June 30, 2022.

*For details:*

<https://www.mca.gov.in/bin/dms/getdocument?mds=bPU6zFGIKpt0gBxXLV99nw%253D%253D&type=open>

### **Relaxation in paying additional fees in case of delay in filling all the event based eforms by LLPs (May 31, 2022)**

The Ministry has received representations seeking extension of timelines for filing the event based forms by LLPs without paying additional fees in view of transition from version-2 of MCA -21 to version-3. Keeping in view these representations and to promote compliance on part of the LLPs, it has been decided to allow LLPs to file various event based LLP e-forms, due dates of which are falling between 25th February, 2022 to 31st May, 2022, without paying additional fees up to 30th June, 2022.

*For details:*

<https://www.mca.gov.in/bin/dms/getdocument?mds=xVZAKAA2Ap%252B7ha8Y%252FM L4fw%253D%253D&type=open>

### **The Companies (Accounts) Third Amendment Rules, 2022 (May 31, 2022)**

The Ministry of Corporate Affairs (MCA) vide its notification dated May 31, 2022 has notified the Companies (Accounts) Third Amendment Rules, 2022, which shall come into force on the date of its publication in the Official Gazette. According to the amendment under rule 12 of the Companies (Accounts) Rules 2014 below changes are mentioned:

- For financial year (2020-2021), Form CSR-2 shall be filed separately on or before 30th June 2022 after filing Form AOC-4 or AOC-4 XBRL or AOC-4 NBFC (Ind AS), as the case may be.
- For the financial year (2021-2022), Form CSR-2 shall be filed separately on or before 31st March, 2023 after filing Form AOC-4 or AOC-4 XBRL or AOC-4 NBFC (Ind AS), as the case may be”.

*For details:*

<https://egazette.nic.in/WriteReadData/2022/236165.pdf>

### **Appointment of Chairperson NFRA (May 30, 2022)**

In exercise of the powers conferred by Section 132(3) of the Companies Act, 2013, the Central Government vide office order No. NF-12019/2/2022-ESTTNFRA dated the 6th April, 2022 appointed Dr. Ajay Bhushan Prasad Pandey as the chairperson of the National Financial Reporting Authority, with effect from the 1st April, 2022 (forenoon) for a period of three years or till the incumbent attains the age of sixty-five years, whichever is earlier.

*For details:*

<https://egazette.nic.in/WriteReadData/2022/236105.pdf>

### **The Companies (Compromises, Arrangements and Amalgamations) Amendment Rules, 2022 (May 30, 2022)**

In exercise of the powers conferred by sub-sections (1) and (2) of section 469 read with sections 230 to 240 of the Companies Act, 2013, the Central Government inter alia amended the Rule 25A of the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016. According to the Amendment, in case of a compromise or an arrangement or merger or demerger between an Indian company and a company or body corporate which has been incorporated in a country which shares land border with India, a declaration in Form No. CAA-16 shall be required at the stage of submission of application under section 230 of the Act.

*For details:*

<https://egazette.nic.in/WriteReadData/2022/236112.pdf>

### **The Companies (Appointment and Qualification of Directors) Amendment Rules, 2022 (June 01, 2022)**

The Ministry of Corporate Affairs (MCA) vide its notification dated June 01, 2022 has notified the Companies (Appointment and Qualification of Directors) Amendment Rules, 2022 which shall come into force on the date of its publication in the Official Gazette. The amendments inter alia provide that: i) In case the person seeking appointment is a national of a country which shares land border with India, necessary security clearance from the Ministry of Home Affairs shall also be attached along with the consent (Form DIR2). (Insertion of proviso to Rule 8) ii) No application number shall be generated in case of the person applying for Director Identification Number (DIN) is a national of a country which shares land border with India, unless necessary security clearance from Ministry of Home Affairs has been attached along with application for DIN (Form DIR-3). {Insertion of proviso to Rule 10(1)} iii) In form DIR-12 a declaration is inserted to be opted by person seeking appointment as director as to whether the national of a country which shares land border with India has sought necessary security clearance from Ministry of Home Affairs or not.

*For details:*

<https://www.mca.gov.in/bin/ebook/dms/getdocument?doc=MTE10TMyNDY3&docCategory=NotificationsAndCirculars&type=open>

### **Smt. Nirmala Sitharaman inaugurates Iconic Week of Ministry of Corporate Affairs (MCA) during Azadi Ka Amrit Mahotsav celebrations in New Delhi (June 07, 2022)**

Smt. Sitharaman in her address during Azadi Ka Amrit Mahotsav celebrations, recapitulated the reforms undertaken during last 8 years by the MCA, including enactment of Insolvency and Bankruptcy Code, Decriminalization of Companies Act, 2013 and Limited Liability Partnership Act, 2008. Decriminalisation of technical & procedural violations was a very important step taken during the pandemic as PM's message has been 'trust your businesses, give them confidence that Government is looking at them favourably.

*For details:*

<https://www.pib.gov.in/PressReleasePage.aspx?PRID=1831833>

### **The Companies (Removal of Names of Companies from the Register of Companies) Amendment Rules, 2022 (June 09, 2022)**

The Ministry of Corporate Affairs (MCA) vide its notification dated June 09, 2022 has notified the Companies (Removal of Names of Companies from the Register of Companies) Amendment Rules, 2022, which came into force on the date of its publication in the Official Gazette. According to the amendment new sub-rule (3) to rule 4 is inserted pertaining to application for removal of company, which is defining timelines for re-submission of Form STK-2 as follows:

- i) On examining the application made in Form STK-2, the Registrar shall, if required, call for further information/document and inform the applicant to re-submit the complete Form within 15 days' of servicing such information to applicant.
- ii) After re-submission of Form, if Registrar finds that the Form or document is again defective or incomplete in any respect, then further period of 15 days' time for removal of defects shall be given to the applicant.

For the purposes of the Companies (Removal of Names of Companies from the Register of Companies) Rules, 2016 the format of Form No. STK-1, Form No. STK-5 and Form No. STK-5A are substituted.

*For details:*

<https://www.mca.gov.in/bin/dms/getdocument?mcs=JkKchldTtvq3RDH8WyFBuw%253D%253D&type=open>

### **The Companies (Appointment and Qualification of Directors) Second Amendment, Rules, 2022 (June 10, 2022)**

The Ministry of Corporate Affairs (MCA) vide its notification dated June 10, 2022 has notified "the Companies (Appointment and Qualification of Directors) Second Amendment, Rules, 2022" which shall come into force on the date of its publication in the Official Gazette. According to the amendment sub-rule 5 is inserted under rule 6 of the Companies (Appointment and Qualification of Directors) Rules, 2014, which is specifying, any individual whose name has been removed from the databank under sub-rule (4), may apply for restoration of his name on payment of fees of Rs. 1000 and the Indian Institute of Corporate Affairs shall allow such restoration subject to the following conditions, namely: his name shall be shown in a separate restored category for a period of one year from the date of restoration within which, he shall be required to pass the online proficiency self-assessment test and thereafter his name shall be included in the databank, only, if he passes the said online proficiency self-assessment test and in such case, the fees paid by him at the time of initial registration shall continue to be valid for the period for which the same was initially paid; and in case he fails to pass the online proficiency selfassessment test within one year from then date of restoration, his name shall be removed from the data bank and he shall be required to apply afresh under sub-rule (1) for inclusion of his name in the databank.

*For details:*

<https://egazette.nic.in/WriteReadData/2022/236474.pdf>

### **National Financial Reporting Authority Amendment Rules, 2022 (June 17, 2022)**

The Ministry of Corporate Affairs (MCA) vide its notification dated 17th March, 2022 has notified “The National Financial Reporting Authority (NFRA) Amendment Rules, 2022” which shall come into force on the date of its publication in the Official Gazette. The amendment substituted rule 13 (Punishment in case of non-compliance) of the NFRA Rules, 2018 by stating that, whoever contravenes any of the provisions of these rules, shall be punishable with fine not exceeding Rs. 5000, and where the contravention is continuing one, with a further fine not exceeding Rs. 500 for every day after the first during which the contravention continues. Earlier to this amendment the contravention under aforesaid rules was punishable as per section 450 (punishment where no specific penalty or punishment is provided) of the Companies, Act, 2013.

*For details:*

<https://www.mca.gov.in/bin/dms/getdocument?mds=ALYJ%252BRnuB%252BCYMY4Llv02JA%253D%253D&type=open>

### **Relaxation of additional fees on filing of Form No. 11 (Annual Return) by Limited Liability Partnerships (June 29, 2022)**

The Ministry of Corporate Affairs (MCA) vide its notification dated June 29, 2022 and in continuation of MCA General Circular No. 04/2022 dated 27.05.2022 decided to further extend the timeline and allow Limited Liability Partnerships to file eForm 11 (Annual Return) for the financial year 2021-2022 without paying additional fees up to July 15, 2022.

*For details:*

<https://www.mca.gov.in/bin/dms/getdocument?mds=jkZozlMem2jwa2SdhjEzzg%253D%253D&type=open>

### **Appointment of Smt. Anita Shah Akella as ex officio member of IBBI (July 05, 2022)**

In exercise of the powers conferred by section 189 (1)(b) of the Insolvency and Bankruptcy Code, 2016, the Central Government appointed Smt. Anita Shah Akella, Joint Secretary, Ministry of Corporate Affairs (MCA) as ex-officio member in the Insolvency and Bankruptcy Board of India (IBBI) to represent the MCA in IBBI.

*For details:*

<https://egazette.nic.in/WriteReadData/2022/237091.pdf>

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# Ministry of Finance

## Info Capsule Series 12

### **Finance Minister Smt. Nirmala Sitharaman meets World Bank President Mr David Malpass in Washington D.C. (April 23, 2022)**

Union Minister for Finance & Corporate Affairs Smt. Nirmala Sitharaman and World Bank Group President Mr. David Malpass met in Washington D.C., to discuss various issues, including India's continued recovery from COVID-19 pandemic; impact of the RussiaUkraine conflict on the world economy and India in particular; economy and role of the WBG; Single Borrower Limit and exploring the possibility of Guarantees from other nations, India's G20 Presidency and World Bank's leadership in India after CD's (Country Director) departure.

*For details:*

<https://www.pib.gov.in/PressReleasePage.aspx?PRID=1819148>

### **Indian Retail Investors played key role during the last two years: Union Finance Minister (May 07, 2022)**

Indian retail investors have played a key role especially during the last two years; they have shown the world what they can do by standing up and becoming shock absorbers unlike FPIs," Union Finance Minister, Smt. Nirmala Sitharaman began her speech by appreciating the unbound trust shown by the country's retail investors in the market. The Minister was addressing the Silver Jubilee Celebration of India's largest depository, National Securities Depository Limited (NSDL), in Mumbai held on May 07, 2022.

*For details:*

<https://www.pib.gov.in/PressReleasePage.aspx?PRID=1823525>

**Cabinet empowers the Board of Directors of the Holding / Parent Public Sector Enterprises to recommend and undertake the process for Disinvestment / closure of their subsidiaries/ units / stake in JVs and additional delegation of powers to Alternative Mechanism (May 18, 2022)**

The Union Cabinet, chaired by Prime Minister Shri Narendra Modi, has approved the proposal for empowering the Board of Directors of the Holding / Parent Public Sector Enterprises to recommend and undertake the process for Disinvestment (both strategic disinvestment and minority stake sale) or closure of any of their subsidiaries / units / stake in JVs. The Cabinet has also empowered Alternative Mechanism to accord 'in principle' approval for disinvestment (both strategic disinvestment and minority take sale) / closure of subsidiaries / units / sale of stakes in JVs of Holding / Parent PSEs [except the disinvestment (minority stake sale) of Maharatna PSEs which was delegated to them and review the process of disinvestment / closure by Parent / Holding PSEs.

*For details:*

<https://www.pib.gov.in/PressReleasePage.aspx?PRID=1826264>

**Investment Incentive Agreement between the Government of the United States of America and the Government of India (May 23, 2022)**

The Government of India and the Government of the United States of America has signed an Investment Incentive Agreement (IIA) at Tokyo, Japan. The IIA was signed by Shri Vinay Kwatra, Foreign Secretary, Government of India, and Mr. Scott Nathan, Chief Executive Officer, U.S. International Development Finance Corporation (DFC).

*For details:*

<https://www.pib.gov.in/PressReleasePage.aspx?PRID=1827650>

**Auction for Sale (re-issue) of (i) '4.56 % GS 2023', (ii) '7.10% GS 2029', (iii) '6.54% GS 2032' and (iv) '6.95% GS 2061' (May 23, 2022)**

Government of India (Gol) has announced the Sale (re-issue) of (i) '4.56% GS 2023' for a notified amount of 4,000 crore (nominal) through price based auction using uniform price method; (ii) '7.10% GS 2029' for a notified amount of ₹7,000 crore (nominal) through price based auction using uniform price method; (iii) '6.54% Government Security, 2032' for a notified amount of ₹13,000 crore (nominal) through price based auction using uniform price method; and (iv) '6.95% Government Security 2061' for a notified amount of ₹9,000 crore (nominal) through price based auction using multiple price method. Gol will have the option to retain additional subscription up to ₹2,000 crore against each security mentioned above. The auctions will be conducted by the Reserve Bank of India, Mumbai Office, Fort, Mumbai on May 27, 2022 (Friday).

*For details:*

<https://www.pib.gov.in/PressReleasePage.aspx?PRID=1827728>

**DEA organises a 2-day workshop on Awareness Building and Guidance on using the PPP Toolkits (May 25, 2022)**

A two day - workshop on Awareness Building and Guidance on using the PPP Toolkits was organized by the Department of Economic Affairs (DEA), Ministry of Finance, in collaboration with Foreign, Commonwealth and Development Office, UK with an objective to sensitize and train government officials in using PPP toolkits for decision making in PPP projects. The Training programme was inaugurated by Joint Secretary, DEA, Shri. Baldeo Purushartha. Special addressees included Mr. Shantanu Mitra, Head- Infrastructure and Urban Development, FCDO, Ms. Sangeeta Mehta, Senior Programme officer (FCDO), Mr. Shoubhik Ganguly, Senior Infrastructure Advisor (FCDO).

*For details:*

<https://www.pib.gov.in/PressReleasePage.aspx?PRID=1828331>

**Union Finance Minister Smt. Nirmala Sitharaman and Gujarat CM Shri Bhupendrabhai Patel inaugurate exhibition on “Contribution of CPSEs to Nation-Building” as part of celebration of Azadi Ka Amrit Mahotsav by Department of Public Enterprises in Gandhinagar (June 09, 2022)**

Union Minister of Finance & Corporate Affairs, Smt. Nirmala Sitharaman and Chief Minister of Gujarat, Shri Bhupendrabhai Patel inaugurated an Exhibition on ‘Contribution of CPSEs to Nation-Building’ at Mahatma Mandir, Gandhinagar, as a part of ‘Azadi Ka Amrit Mahotsav’ (AKAM) week celebration by the Department of Public Enterprises (DPE), Ministry of Finance. The event marked the launch of the exhibition where 75 CPSEs are showcasing their contributions towards nation building.

*For details:*

<https://www.pib.gov.in/PressReleasePage.aspx?PRID=1832709>

**Capacity Building Initiatives by DEA: Training on Public Private Partnership (PPPs) by AJNIFM (June 21, 2022)**

The Department of Economic Affairs (DEA) in collaboration with Capacity Building Commission (CBC) has framed a Capacity Enhancement Plan (CEP) for driving relevant capacities across Ministries, State Governments, and the extended ecosystem of infrastructure execution in the country, under which both offline and online training programmes have been initiated.

*For details:*

<https://www.pib.gov.in/PressReleasePage.aspx?PRID=1835924>

**Auction for Sale (re-issue) of (i) '7.38 GS 2027', (ii) 'Gol Floating Rate Bond 2028', (iii) '7.54% GS 2036' (iv) '6.99% GS 2051' (June 27, 2022)**

The Government of India (GoI) has announced the Sale (reissue) of (i) "7.38% Government Security, 2027" for a notified amount of Rs 9,000 crore (nominal) through price based auction using uniform price method; (ii) "Gol Floating Rate Bonds, 2028" for a notified amount of Rs 4,000 crore (nominal) through price based auction using uniform price method; (iii) "7.54% Government Security 2036" for a notified amount of Rs 10,000 crore (nominal) through price based auction using uniform price method and (iv) "6.99% Government Security 2051" for a notified amount of Rs 9,000 crore (nominal) through price based auction using multiple price method. GoI will have the option to retain additional subscription up to Rs 2,000 crore against each security mentioned above. The auctions will be conducted by the Reserve Bank of India, Mumbai Office, Fort, Mumbai on July 01, 2022.

*For details:*

*<https://www.pib.gov.in/PressReleasePage.aspx?PRID=1837342>*

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# Ministry of Labour

## Info Capsule Series 12

**EPFO Payroll data : EPFO adds 17.08 lakh net subscribers in the month of April, 2022 (June 20, 2022)**

The provisional payroll data of EPFO released on June 20, 2022 highlights that EPFO has added 17.08 lakh net subscribers in the month of April, 2022. A year-on-year comparison of payroll data shows an increase of 4.32 lakh net subscribers in April, 2022 as compared to the net subscription in the month of April, 2021 last year. Out of the total 17.08 lakh subscribers added during the month, around 9.23 lakh new members have come under the social security cover of EPF & MP Act, 1952 for the first time. Approximately 7.85 lakh net subscribers exited & re-joined the establishments covered under EPFO by changing their jobs within the establishments covered by EPFO and opted to retain membership under the Scheme, through transfer of funds rather than coming for final withdrawal of their PF accumulations. The payroll data reflects a declining trend of members exit during the last four months.

*For details :*

<https://pib.gov.in/PressReleaselframePage.aspx?PRID=1835558>

# Ministry of Environment, Forest & Climate Change

## Info Capsule Series 12

**Virtual Workshop on “Effective Plastic Waste Management to Tackle Plastic Pollution” organised by MoEFCC (June 30, 2022)**

A Virtual Workshop on “Effective Plastic Waste Management to Tackle Plastic Pollution” was organized under the aegis of the “India-Norway Marine Pollution Initiative” by the Ministry of Environment, Forest & Climate Change (MoEF&CC), Government of India, Royal Norwegian Embassy, New Delhi and UN Environment Programme (UNEP). The workshop witnessed the presence of policy makers, city level authorities from municipalities of India and Norway, State Pollution Control Board/Pollution Control Committee, Department of Environment, Department of Urban Development, research and academic organizations. Policy and regulatory frameworks for reducing single-use plastics and effective plastic waste management, from both the countries were highlighted by the Ministry of Environment, Forest and Climate Change, Government of India and Norwegian Environment Agency, Government of Norway. In the course of the meeting, the municipalities were reminded of the ban on identified single-use plastic items, which will come into effect from 1st July 2022.

*For details:*

<https://www.pib.gov.in/PressReleasePage.aspx?PRID=1838339>

# Securities Laws and Capital Markets

## Info Capsule Series 12

### SEBI News

#### **LIC IPO: SEBI may postpone implementation of tighter anchor investor norms (April 21, 2022)**

Market regulator the Securities and Exchange Board of India (SEBI) has proposed to postpone the implementation of tighter anchor investor norms for large IPOs. Bankers said the move is aimed at facilitating better institutional participation in the upcoming initial share sale of Life Insurance Corporation (LIC). Until now, shares allotted to anchor investors in an IPO were subject to 30 days lock-in. However, with effect from April 1, 50% of such shares allotted to the anchor investors would be subject to an enhanced 90 day lock-in period.

*For details:*

<https://economictimes.indiatimes.com/markets/stocks/news/lic-ipo-sebi-may-postpone-implementation-of-tighter-anchor-investor-norms/articleshow/90976936.cms>

#### **SEBI restructures its advisory committee on market data (April 26, 2022)**

SEBI has restructured its advisory committee on market data that recommends policy measures pertaining to areas like securities market data access and privacy. Rejigging its market data advisory committee, SEBI has said the panel will now have 21 members, as per the latest information with the regulator. Earlier the committee had 20 members. The scope of the work of the committee includes identifying segment-wise data perimeters, data needs and gaps, recommending data privacy and data access regulations applicable to market data.

*For details:*

[https://www.business-standard.com/article/markets/sebi-restructures-its-advisory-committee-on-market-data-122042500373\\_1.html](https://www.business-standard.com/article/markets/sebi-restructures-its-advisory-committee-on-market-data-122042500373_1.html)

### **SEBI tweaks operational guidelines for FPIs, depository participants (April 30, 2022)**

Capital markets regulator SEBI has tweaked the operational guidelines for depository participants and foreign portfolio investors (FPIs) pertaining to registration certificates of such foreign investors and change in their name. The new guidelines will be applicable from May 09, 2022. The framework has been modified pertaining to certificate of registration for FPIs and change in their name. With regard to registration certificate for FPIs, the regulator said the designated depository participant (DDP) will grant the certificate of registration, bearing the registration number generated by SEBI.

*For details:*

<https://economictimes.indiatimes.com/markets/stocks/news/sebi-tweaks-operational-guidelines-for-fpis-depository-participants/articleshow/91210588.cms>

### **SEBI imposes penalty on Titan's employees for noncompliance of PIT regulations (April 30, 2022)**

The Securities and Exchange Board of India (SEBI) has imposed a penalty of ₹1 lakh each on six employees of Titan Company Ltd for non-compliance of the market regulator's Prohibition of Insider Trading (PIT) regulations. This comes after the company informed SEBI about the contravention of SEBI's PIT, regulations and company's code of conduct for prevention of insider trading by its employees. Following which the markets regulator carried out an investigation in the stock of Titan, wherein it witnessed several non-compliances of its PIT Regulations during the period 1 April, 2018 to 31 March, 2019.

*For details:*

<https://www.livemint.com/market/sebi-imposes-penalty-on-titan-s-employees-for-non-compliance-of-pit-regulations-11651317495001.html>

### **71% of anchor allotment for LIC IPO made to 15 mutual funds: What this means for retail investors and policyholders. (May 03, 2022)**

Ahead of its mega opening, Life Insurance Corporation has raised around Rs 5,620 crore from anchor investors, the maximum allowable limit. Anchor investors subscribed to a total of 5,92,96,853 equity shares at Rs 949/- per equity share. Anchor investors are institutional investors that are allotted shares before the subscription opens for retail and other investors, and have to commit to holding their shares for a certain period after listing.

*For details:*

<https://timesofindia.indiatimes.com/business/india-business/71-of-anchor-allotment-for-lic-ipo-made-to-15-mutual-funds-what-this-means-for-retail-investors-and-policyholders/articleshow/91278062.cms>



### **SEBI scanner on more front-running ops by domestic fund managers (May 09, 2022)**

Markets regulator Securities and Exchange Board of India (SEBI) is examining allegations of front-running and other irregularities against a host of domestic fund managers across the asset management industry, said people in the know. Developments at Axis Mutual Fund have prompted the regulator to speed up probe to ensure that there is no drop in confidence in the Rs. 39-trillion Mutual Fund (MF) industry.

*For details:*

[https://www.business-standard.com/article/markets/sebi-scanner-on-more-front-running-ops-by-domestic-fund-managers-122050900008\\_1.html](https://www.business-standard.com/article/markets/sebi-scanner-on-more-front-running-ops-by-domestic-fund-managers-122050900008_1.html)

### **SEBI amends InvITs rule; specifies draft filing fees for initial offer, rights issue (May 10, 2022)**

Capital markets regulator SEBI came out with a new norm to implement draft filing fees to be paid by Infrastructure Investment Trusts (InvITs) for initial offer and rights issue. Now InvITs are required to pay non-refundable filing fees of 0.1 per cent in case of initial offer and 0.05 per cent in case of rights issue of the total issue size, including green shoe option, at the time of filing of draft placement memorandum or offer letter with respect to private placement. Earlier, the InvIT was required to pay non-refundable filing fees of 0.1 per cent of the total issue size, irrespective of the type of issue.

*For details:*

<https://www.moneycontrol.com/news/business/markets/sebi-amends-invits-rule-specifies-draft-filing-fees-for-initial-offer-rights-issue-8483581.html>

### **SEBI issues norms to calculate margin requirements for intra-day snapshots (May 10, 2022)**

Capital markets regulator SEBI on May 10th, 2022, Tuesday issued a framework for calculating margin requirements to be considered for the intraday snapshots in the derivatives segments. The new framework will come into effect from August 1, 2022. SEBI clarified that the change is only for the purpose of verification of upfront collection of margins from clients. There will be no change in methodology of determination and collection of End of Day (EOD) margin obligation of the client.

*For details:*

[https://www.business-standard.com/article/markets/sebi-issues-norms-to-calculate-margin-requirements-for-intra-day-snapshots-122051001780\\_1.html](https://www.business-standard.com/article/markets/sebi-issues-norms-to-calculate-margin-requirements-for-intra-day-snapshots-122051001780_1.html)

### **Infosys case: SEBI levies Rs 1 lakh fine on individual for violating norms (May 10, 2022)**

Capital markets regulator SEBI on imposed a fine of Rs 1 lakh on an individual for violating the model code of conduct in a case related to shares of Infosys Ltd. SEBI had carried out an investigation in the matter of Unpublished Price Sensitive information (UPSI) in the scrip of Infosys to ascertain if market norms, including the Prohibition of Insider Trading (PIT) regulations, were violated.

*For details:*

[https://www.business-standard.com/article/markets/infosys-case-sebi-levies-rs-1-lakh-fine-on-individual-for-violating-norms-122051001550\\_1.html](https://www.business-standard.com/article/markets/infosys-case-sebi-levies-rs-1-lakh-fine-on-individual-for-violating-norms-122051001550_1.html)

### **SEBI notifies rules to strengthen regulatory framework for CIS (May 11, 2022)**

To strengthen the regulatory framework for collective investment schemes, markets regulator SEBI has enhanced the net worth criteria and track record requirements for entities managing such schemes. Also, the regulator has mandated a minimum of 20 investors and a subscription amount of at least Rs. 20 crore for each Collective Investment Scheme (CIS). Currently, CIS rules do not mandate minimum number of investors, maximum holding of a single investor or minimum subscription amount. In addition, the regulator has put a cap on cross-shareholding in Collective Investment Management Company (CIMC) to 10 per cent to avoid conflict of interest.

*For details:*

<https://economictimes.indiatimes.com/markets/stocks/news/sebi-notifies-rules-to-strengthen-regulatory-framework-for-cis/articleshow/91492849.cms>

### **SEBI mulling framework to encourage more ETFs in debt segment (May 12, 2022)**

Capital markets regulator SEBI is planning to come out with a framework to encourage more exchange-traded funds in debt securities to increase retail investors' interest in the market, a senior official said on 12th May, 2022. The regulator wants to replicate the story as seen in the equity segment, where the ETFs and index funds have deepened retail investors' participation in the markets, SEBI's Wholetime Member Ananta Barua said. SEBI is also looking at implementing other measures as announced in the annual budget by Finance Minister Nirmala Sitharaman.

*For details:*

<https://economictimes.indiatimes.com/markets/stocks/news/sebi-mulling-framework-to-encourage-more-etfs-in-debtsegment-barua/articleshow/91514472.cms>

### **Retail participation in the F&O segment to come under SEBI lens (May 19, 2022)**

Worried about the rising retail participation in the Futures and Options (F&O) segment, the SEBI has undertaken a study to gauge the extent of retail presence in this segment. The outcome of the study could lead to regulatory invention if required. SEBI is concerned about the risks associated with the F&O segment and the increasing number of retail investors coming into this segment. Based on the findings of the study, the market regulator will think about taking suitable measures. The F&O segment is riskier than investing in stocks.

*For details:*

<https://mintgenie.livemint.com/news/markets/retail-participation-in-the-f-o-segment-to-come-under-sebi-lens-151652930446859>

### **SEBI asks exchanges to conduct cyber audit twice a year (May 20, 2022)**

Stock exchanges and all other Market Infrastructure Institutions (MIIs) would be required to conduct cyber audits twice within a fiscal year, as per a circular issued by the Securities and Exchange Board of India (SEBI) on May 20, 2022. Along with the cyber audit reports, all MIIs are directed to submit a declaration from the managing director or chief executive officer "certifying compliance by the MII with all SEBI circulars and advisories related to cyber security issued from time to time", the market regulator added.

*For details:*

<https://www.moneycontrol.com/news/business/markets/sebi-asks-exchanges-to-conduct-cyber-audit-twice-a-year-8546851.html>

### **SEBI slaps Rs 1 crore penalty on IIFL Securities for 'violation' of norms linked to client funds (May 20, 2022)**

SEBI on May 20, 2022, has slapped a penalty of Rs 1 crore on India Infoline Ltd (IIFL) Securities for "violation" of norms related to client funds. SEBI, which conducted multiple inspections of IIFL's books of accounts, said the company allegedly violated the rules by "failing to segregate its own funds from client funds", "misusing credit balance of client funds for debit balance client funds" and "not appropriately designating client bank accounts." The inspections, which the market regulator referred to, were conducted between April 2011 and January 2017, as per the order.

*For details:*

<https://www.moneycontrol.com/news/business/sebi-slaps-rs-1-crore-penalty-on-iifl-securities-for-violation-of-norms-linked-to-client-funds-8547021.html>

### **SEBI allows MFs to float passively managed equitylinked savings schemes (May 23, 2022)**

Capital markets regulator SEBI on May 23, 2022, Monday allowed mutual funds to launch passively managed EquityLinked Savings Schemes (ELSS). However, the regulator said that mutual funds can have either an actively-managed ELSS scheme or a passively-managed one but not in both categories. The passive ELSS scheme should be based on one of the indices comprising equity shares from top 250 companies in terms of market capitalisation. The move will allow new fund houses that are especially focusing on passive schemes to float a passively-managed ELSS fund. Besides, SEBI has put in place a framework for managing passive funds -- Exchange Traded Funds (ETFs) and Index Funds amid growing popularity of such funds as an investment product for retail investors. The new framework will come into effect from July 1, 2022 and will be applicable to all existing ETFs and index funds.

*For details:*

[https://www.business-standard.com/article/markets/sebiallows-mfs-to-float-passively-managed-equity-linked-savings-schemes-122052301690\\_1.html](https://www.business-standard.com/article/markets/sebiallows-mfs-to-float-passively-managed-equity-linked-savings-schemes-122052301690_1.html)

### **SEBI nudges MCA for exemption to nominees of debenture trustees (May 30, 2022)**

The Securities and Exchange Board of India has written to the ministry of corporate affairs (MCA) seeking a special exemption for nominee directors appointed by debenture trustees on the board of companies, said people with direct knowledge of the matter. The proposal is aimed at shielding these directors from disqualification in the event of the company defaulting on its debenture obligations. Currently, under the Companies Act, if a company fails to file its annual reports or other statutory documents for three years, the directors of the company stand disqualified. In the recent past, there have been instances where the directors appointed by debenture trustees have been disqualified from holding any directorship under the Companies Act since the companies defaulted on their compliance obligations. "Current rules don't distinguish between executive directors and nominee directors when it comes to disqualification rules and so the issue has arisen," said one of the people cited above.

*For details:*

<https://economictimes.indiatimes.com/markets/stocks/news/sebi-nudges-mca-for-exemption-to-nominees-of-debenture-trustees/articleshow/91877916.cms>

### **SEBI tweaks SOP in case of defaults by trading, clearing members (May 27, 2022)**

Capital markets regulator SEBI on May 27, 2022, Friday tweaked the standard operating procedure specifying steps to be taken by stock exchanges, clearing corporations and depositories for dealing with possible defaults by trading or clearing members. The measures are aimed at protecting the interest of non-defaulting clients of trading members (TMs) or clearing members (CMs) in the likely event of default. The regulator, in consultation with the Market Infrastructure Institutions, has decided to modify the framework in order to provide equitable distribution of funds amongst investors, according to a circular.

*For details:*

<https://www.moneycontrol.com/news/business/markets/sebi-tweaks-sop-in-case-ofdefaults-by-trading-clearing-members-8593541.html>

### **ASBA application to be processed only after money is blocked in investor's account : SEBI (May 30, 2022)**

The Securities and Exchange Board of India (SEBI) on May 30th, 2022, Monday said that processing of ASBA applications in public issue of equity shares and convertibles must only start after the bid money is blocked in the investor's bank account. The circular will be applicable for all categories of investors such as retail, qualified institutional buyers (QIBs), non-institutional investors (NIIs) and other reserved categories, and also for all modes through which the applications are processed.

*For details:*

<https://www.livemint.com/market/stock-market-news/asba-application-to-be-processed-only-after-money-is-blocked-in-investor-s-account-sebi-11653922534317.html>

### **SEBI's SOP to resolve dispute under stock exchange arbitration mechanism (May 31, 2022)**

Capital markets regulator SEBI has come out with a new Standard Operating Procedures (SOP) for dispute resolution under the stock exchange arbitration mechanism for disputes between a listed firm or Registrars to an Issue and Share Transfer Agents (RTAs) and its shareholders. The arbitration mechanism will be initiated post exhausting all actions for resolution of complaints including those received through the SCORES portal. The arbitration reference will be filed with the stock exchange where the initial complaint has been addressed. The new framework will come into force with effect from June 1st, 2022.

*For details:*

[https://www.business-standard.com/article/markets/sebis-sop-to-resolve-dispute-under-stock-exchange-arbitration-mechanism-122053100693\\_1.html](https://www.business-standard.com/article/markets/sebis-sop-to-resolve-dispute-under-stock-exchange-arbitration-mechanism-122053100693_1.html)

### **SEBI penalises Eicher Motors for flouting rules in issuance of duplicate certificate case (June 02, 2022)**

Capital markets regulator SEBI imposed a penalty of Rs 10 lakh on Eicher Motors for failing to exercise due diligence in a case pertaining to issuance of duplicate shares or new certificates. The company has been directed to pay the fine within 45 days, according to an order issued by the Securities and Exchange Board of India (SEBI). The order comes after the SEBI received a complaint from Adesh Kaur against Eicher, wherein it was mentioned that 903 shares of the company, which were held in her name since 1994-95, were fraudulently transferred to an account of an impersonator who had managed to forge her signature and got the address changed from Sangrur (her original address) to Mumbai and thereafter, managed to get the duplicate share certificates issued in the fraudster's name in lieu of the 903 shares on the changed address.

*For details:*

<https://www.moneycontrol.com/news/business/markets/sebi-penalises-eicher-motorsfor-flouting-rules-in-issuance-of-duplicate-certificate-case-8624511.html>

### **SEBI tweaks cyber security, cyber resilience framework for stock brokers, depository participants (June 07, 2022)**

Capital markets regulator SEBI on June 07, 2022, Tuesday tweaked the cyber security and cyber resilience framework for stock brokers as well as depository participants and mandated them to conduct a comprehensive cyber audit at least once in a financial year. Along with the cyber audit reports, stock brokers and depository participants have been asked to submit to stock exchanges and depositories a declaration from the MD and CEO certifying compliance by them with all SEBI guidelines and advisories related to cyber security issued from time to time, according to a circular. Under the modified framework, they should identify and classify critical assets based on their sensitivity and criticality for business operations, services and data management.

*For details:*

<https://economictimes.indiatimes.com/markets/stocks/news/sebi-tweaks-cyber-security-cyber-resilienceframework-for-stock-brokers-depositoryparticipants/articleshow/92065118.cms>

### **SEBI clarifies on applicability of AIFs and Portfolio Manager Rules (June 13, 2022)**

Investment managers of an AIF (Alternative Investment Fund) can provide investment management services to the offshore fund only by getting registered as portfolio managers, according to markets regulator SEBI. Providing an informal guidance in this regard to Ace Lansdowne Investments Services LLP, which manages SEBI registered AIF - Ace Lansdowne India Investment Fund SEBI indicated that its views might be different for different conditions. It had sought clarity whether the applicant, which is already acting as the investment manager of an AIF, can provide investment management services to the offshore fund and whether the applicant is required to obtain registration as a portfolio manager.

*For details:*

[https://www.business-standard.com/article/economypolicy/sebi-clarifies-on-applicability-of-aifs-and-portfolio-manager-rules-122061300665\\_1.html](https://www.business-standard.com/article/economypolicy/sebi-clarifies-on-applicability-of-aifs-and-portfolio-manager-rules-122061300665_1.html)

### **Capital Small Finance Bank pays Rs 5.8 lakh to settle case with SEBI (June 14, 2022)**

Capital Small Finance Bank has settled with SEBI a case pertaining to alleged violations of regulatory norms during allotment of its equity shares after paying Rs 5.8 lakh towards settlement charges. The order came after the bank proposed to settle the alleged violations through a settlement order. Capital Small Finance Bank had made allotment of its equity shares to 402 persons on 14 occasions in tranches from May 2004 to March 2005. The allotment was allegedly in violation of the Companies Act, and SEBI's DIP (Disclosure and Investor Protection) Guidelines, the order mentioned.

*For details:*

<https://www.moneycontrol.com/news/business/capital-small-financebank-pays-rs-5-8-lakh-to-settlecase-with-sebi-8685741.html>

### **SEBI panel provides facilities for PACL investors to update mobile number (June 17, 2022)**

A high-powered SEBI committee provided facilities to PACL investors to update details of their mobile numbers and enquire whether SMSs have been sent to them to submit original certificates. The committee in April asked investors, who invested in illegal schemes of PACL, to submit their original registration certificates by June 30, 2022 only after receiving an SMS from the panel. This was applicable only to those investors whose claim money is between Rs 10,001 and Rs 15,000 and whose applications were verified. According to a press release uploaded on SEBI's website, the committee has been receiving queries from investors regarding the non-receipt of SMS calling for original PACL certificates owing to a change of mobile number. Many investors have said that mobile numbers provided by them during the submission of online claims are no longer operational.

*For details:*

[https://www.business-standard.com/article/markets/sebi-panel-provides-facilities-for-pacl-investors-to-update-mobile-number-122061700562\\_1.html](https://www.business-standard.com/article/markets/sebi-panel-provides-facilities-for-pacl-investors-to-update-mobile-number-122061700562_1.html)

### **All demat accounts maintained by stock brokers need to be tagged by June-end : SEBI (June 20, 2022)**

Capital markets regulator SEBI said all demat accounts of stock brokers, which are untagged, need to be appropriately tagged by June-end. Credit of securities will not be allowed in any demat account left untagged from July 01 onwards. However, credits on account of corporate actions will be permitted, the Securities and Exchange Board of India (SEBI) said in a circular. Tagging of bank and demat accounts reflect the purpose for which those bank/demat accounts are being maintained and the reporting of such accounts to the stock exchanges/depositories. SEBI further said that debit of securities will also not be allowed in any demat account left untagged from August.

*For details:*

<https://www.moneycontrol.com/news/business/markets/all-demat-accounts-maintained-by-stock-brokers-need-to-be-tagged-by-june-end-sebi-8713081.html>



### **SEBI allows mutual funds to resume investing in international stocks (June 21, 2022)**

Capital markets regulator SEBI has permitted mutual funds to again invest in foreign stocks within the aggregate mandated limit of USD 7 billion for the industry. This came in the wake of a major correction in global markets that brought down the valuation of international stocks. In January, SEBI had asked mutual fund houses to stop taking fresh subscriptions in schemes investing in overseas stocks. The directive to stop subscription was mainly on account of the mutual fund industry crossing the mandated limit of USD 7 billion for overseas investments.

For details:

[https://www.business-standard.com/article/markets/sebi-allows-mutual-funds-to-resume-investing-in-international-stocks-122062100455\\_1.html](https://www.business-standard.com/article/markets/sebi-allows-mutual-funds-to-resume-investing-in-international-stocks-122062100455_1.html)

### **SEBI imposes Rs 1.62 crore fine on 9 entities for fraudulent trading (June 21, 2022)**

Capital markets regulator SEBI on June 21, 2022, Tuesday, imposed a fine of Rs 1.62 crore on nine entities for manipulating shares of Sterling Green Woods Ltd. SEBI had conducted an investigation into alleged irregularity in the trading in the scrip of Sterling Green Woods Ltd (SGWL) for the period April-July 2009. In its order, SEBI noted that SAT vide an order dated March 02, 2022, have allowed the appeals filed by the entities against the SEBI order. The tribunal had remanded the case back to SEBI for fresh order on merits after giving an opportunity of personal hearing to the appellants.

For details:

<https://economictimes.indiatimes.com/markets/stocks/news/sebi-imposes-rs-1-62-crore-fine-on-9-entities-for-fraudulent-trading/articleshow/92368689.cms>

### **SEBI approves SS Mundra's appointment as BSE Chairman (June 24, 2022)**

BSE Limited said on June 24, 2022 that the Securities and Exchange Board of India (SEBI) has granted its no objection for the appointment of SS Mundra, Public Interest Director as the Chairman of the board of directors of the company. "In view of the same, the said appointment is effective from May 26, 2022," BSE said in an exchange filing. Mundra, who retired as Deputy Governor of Reserve Bank of India on July 30, 2017 will replace Justice Vikramajit Sen who is the current chairman.

For details:

<https://www.moneycontrol.com/news/business/sebi-approves-ss-mundras-appointment-as-bse-chairman-8734931.html>

### **SEBI penalises four individuals for violations in Mindtree share trade (June 24, 2022)**

Capital markets regulator SEBI on June 24, 2022 imposed fines totalling Rs 4 lakh on four individuals for violation of insider trading norms in the shares of Mindtree Ltd during the January-March 2019 period when they were designated employees. The order came after SEBI had investigated the scrip of Mindtree after it was intimated about contravention of prohibition of insider trading norms and the company's code of conduct for prevention of insider trading by some of its designated persons/employees.

For details:

<https://www.moneycontrol.com/news/business/markets/sebi-penalises-four-individuals-for-violations-in-mindtree-share-trade-8736161.html>

### **SEBI slaps Rs 12 cr penalty on Sahara group firms in OFCD issue matter (June 28, 2022)**

Market regulator, the Securities Exchange Board of India (SEBI), slapped a penalty of Rs 12 crore on Sahara India Real Estate Corporation (SIRECL), Sahara Housing Investment Corporation (SHICL), Subrata Roy Sahara and a few others for violation of the SEBI Act. The matter pertains to the issue of optionally fully convertible debentures (OFCDs) to raise a “sizeable amount” from the public in contravention of the provisions of the SEBI Act between 2008 and 2009. The matter had come to light when group firm Sahara Prime City had filed its offer document with SEBI in 2010.

*For details:*

[https://www.business-standard.com/article/companies/sebi-slaps-rs-12-cr-penalty-on-sahara-group-firms-in-ofcd-issue-matter-122062701167\\_1.html](https://www.business-standard.com/article/companies/sebi-slaps-rs-12-cr-penalty-on-sahara-group-firms-in-ofcd-issue-matter-122062701167_1.html)

### **SEBI revises threshold for adjustment in derivative contracts post dividend (June 28, 2022)**

Capital markets regulator SEBI came out with new adjustment rules for dividends in Futures and Options (F&O) scrips. "It has been decided that the adjustment in derivative contracts shall be carried out in cases where dividends declared are at or above 2 per cent of the market value of underlying stock," SEBI said in a circular. The threshold has been revised from 5 per cent and above to 2 per cent and above. Currently, dividends that are below 5 per cent of the market value of the underlying stock are deemed ordinary dividends and no adjustment in the strike price is made for such dividends.

*For details:*

[https://www.business-standard.com/article/markets/sebi-revises-threshold-for-adjustment-in-derivative-contracts-post-dividend-122062801014\\_1.html](https://www.business-standard.com/article/markets/sebi-revises-threshold-for-adjustment-in-derivative-contracts-post-dividend-122062801014_1.html)

### **SEBI penalises Bharti Infratel for flouting regulatory norms (June 28, 2022)**

Capital markets regulator SEBI has imposed a penalty of Rs 1 lakh on Bharti Infratel, now known as Indus Towers, for flouting rules pertaining to employee stock option schemes. In its order, SEBI found that Bharti Infratel violated the provisions of the SBEB (Share Based Employee Benefits) by not appropriating the excess 5,32,862 shares of the company within the stipulated timeline of March 31, 2017.

*For details:*

<https://www.moneycontrol.com/news/business/markets/sebi-penalises-bharti-infratel-for-flouting-regulatorynorms-8749241.html>

### **July 1 : New rules to invest in mutual funds, teething troubles initially, but a safer future (June 30, 2022)**

From July 1, 2022, mutual fund investments cannot be initiated from a pool account. The money has to go from the investor's bank account to the bank account of the mutual fund house, as mandated by regulator SEBI. All transaction platforms backed by stock exchanges will implement this, which may see some teething troubles for investors as well as other stakeholders.

*For details:*

<https://www.moneycontrol.com/news/business/personal-finance/july-1-new-rulesto-invest-in-mutual-funds-teething-troubles-initially-but-a-safer-future-8757491.html>



### **SEBI's sustainability reporting rule ups demand for ESG tools (July 04, 2022)**

With the Securities and Exchange Board of India (SEBI) mandating sustainability reporting for top listed entities, accounting and enterprise software companies have seen a rise in demand for their Environmental, Social and Governance-related (ESG) solutions. The capital markets regulator has made business responsibility and sustainability reporting (BRSR) compulsory for the top 1,000 listed firms by market capitalization from 2022-23.

*For details:*

<https://green-reporter.com/sebis-sustainability-reporting-rule-ups-demand-for-esg-tools/>

### **SEBI fines PGIM AMC, its CEO, fund managers for interscheme transfers during credit crisis (July 02, 2022)**

The national markets watchdog Securities and Exchange Board of India (SEBI) has found PGIM Asset Management Co Ltd, ranked 23rd among Indian fund houses with assets of nearly Rs. 17,000 crore, guilty of unfair interscheme transfers that put investors of some of its closed end funds at a disadvantage. SEBI fined the AMC a sum of Rs 25 lakh. The SEBI order found PGIM AMC guilty of transferring good quality securities from its closed-end funds to open-ended funds, while transferring stressed securities from open-ended schemes to closed-end schemes.

*For details:*

<https://www.moneycontrol.com/news/business/personalfinance/sebi-fines-pgim-amc-its-ceo-fund-managers-forinter-scheme-transfers-during-credit-crisis-8769171.html>

### **SEBI levies Rs 11-crore fine on eight entities in algo software case (July 01, 2022)**

The Securities and Exchange Board of India (SEBI) imposed a penalty of Rs 11 crore on eight entities for violation of corporate governance and wrongful sharing of data by the National Stock Exchange (NSE) for development of software on algorithm trading. The case dates back to a period between 2009 and 2016 when the exchange engaged with academician Ajay Shah and Infotech Financial Services. It has been alleged that Shah and Infotech used confidential and sensitive data of NSE for the purpose of developing algorithmic trading software and sale of the same to market participants to deal in the securities market.

*For details:*

[https://www.business-standard.com/article/companies/sebi-levies-rs-11-crore-fine-on-eight-entities-in-algo-software-case-122070100031\\_1.html](https://www.business-standard.com/article/companies/sebi-levies-rs-11-crore-fine-on-eight-entities-in-algo-software-case-122070100031_1.html)

### **SAT quashes SEBI penalty of Rs 2,00,000 in Arcelor Mittal Nippon Steel case (July 07, 2022)**

The Securities Appellate Tribunal (SAT) has set aside a SEBI order that had imposed a penalty of Rs 2 lakh on Essar Steel India Ltd, now known as ArcelorMittal Nippon Steel India Ltd, for disclosure lapses. Bankruptcy proceedings were initiated against debt-laden Essar Steel in August 2017. After the completion of the corporate insolvency resolution process Essar Steel was taken over by the new management ArcelorMittal Nippon Steel India in December 2019. "The impugned order dated March 28, 2022 cannot be sustained and is quashed... However, it Will be open to the respondent SEBI to initiate proceedings for the relevant period against the relevant entities," SAT said in an order passed on July 1, 2022.

*For details:*

[https://www.business-standard.com/article/companies/sat-quashes-sebi-penalty-of-rs-2-00-000-in-arcelormittal-nippon-steel-case-122070700251\\_1.html](https://www.business-standard.com/article/companies/sat-quashes-sebi-penalty-of-rs-2-00-000-in-arcelormittal-nippon-steel-case-122070700251_1.html)

### **SEBI's market risk factor disclosures will generate detailed datasets: CPAI (July 11, 2022)**

Commodity Participant Association of India (CPAI) on July 11, 2022, Monday said capital markets regulator SEBI's planned move on market risk factor disclosures will generate detailed datasets. According to sources, the regulator is planning to issue regular 'risk factor disclosures' on market trends, including surges and collapses, to help investors make right decisions by learning from the regulator's insights. The move, which is still in a preliminary stage of discussion, can help investors avoid a herd mentality that has been particularly witnessed during the last couple of years starting with largescale selloffs when the pandemic hit the world in early 2020, followed soon by a sharp surge in buying of stocks without understanding the fundamentals and largely on account of get-rich-quick stories and then subsequent losses.

*For details:*

[https://www.business-standard.com/article/economypolicy/sebi-s-market-risk-factor-disclosures-will-generatedetailed-datasets-cpai-122071101464\\_1.html](https://www.business-standard.com/article/economypolicy/sebi-s-market-risk-factor-disclosures-will-generatedetailed-datasets-cpai-122071101464_1.html)

### **SEBI imposes Rs 10 lakh fine on Bajaj Hindusthan Sugar for disclosure lapses (July 08, 2022)**

Capital markets regulator SEBI imposed a penalty of Rs 10 lakh on Bajaj Hindusthan Sugar Ltd for not disclosing closure orders with respect to its certain distilleries and imposition of penalty by Central Pollution Control Board. The company has been directed to pay the fine within 45 days, the SEBI said in its order. The order came after the regulator received a complaint through SCORES against Bajaj Hindusthan Sugar, whereby the complainant raised concerns regarding false reporting/misreporting in the annual report in respect of Show Cause Notices (SCNs) issued by Pollution Control Board.

*For details:*

<https://economictimes.indiatimes.com/markets/stocks/news/sebi-imposes-rs-10-lakh-fine-on-bajaj-hindusthan-sugar-for-disclosure-lapses/articleshow/92753777.cms>

## SEBI Notification

### **SEBI (Listing Obligations and Disclosure Requirements) (Fourth Amendment) Regulations, 2022 (April 25, 2022)**

SEBI has notified the SEBI (Listing Obligations and Disclosure Requirements) (Fourth Amendment) Regulations, 2022, which shall come into force on the date of their publication in the Official Gazette. SEBI vide this notification has provided that the listed entity shall comply with all procedural requirements as specified in Schedule VII of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 with respect to transfer and transmission of securities.

*For details:*

[https://www.sebi.gov.in/legal/regulations/apr-2022/securities-and-exchange-board-of-india-listing-obligations-and-disclosure-requirements-fourth-amendment-regulations-2022\\_58408.html](https://www.sebi.gov.in/legal/regulations/apr-2022/securities-and-exchange-board-of-india-listing-obligations-and-disclosure-requirements-fourth-amendment-regulations-2022_58408.html)

### **SEBI (Issue of Capital and Disclosure Requirements) (Second Amendment) Regulations, 2022 (April 27, 2022)**

SEBI has notified the SEBI (Issue of Capital and Disclosure Requirements) (Second Amendment) Regulations, 2022, which shall come into force on the date of their publication in the Official Gazette. Vide this notification it is provided that the amendments relating to regulations 32(3A), 49, 129, 145, clause (10) and clause (15) of Part A of Schedule XIII and Schedule XIV carried out by the SEBI (Issue of Capital and Disclosure Requirements) (Amendment) Regulations, 2022 shall come into force in the following manner: - (a) for public issues of a size less than ₹10,000 crore and opening on or after April 1, 2022; with effect from April 1, 2022; (b) for public issues of a size equal to or more than ₹10,000 crore and opening on or after April 1, 2022; with effect from July 1, 2022.

*For details:*

<https://egazette.nic.in/WriteReadData/2022/235386.pdf>

## SEBI Circulars

### **Master Circular for Real Estate Investment Trusts (REITs) and Infrastructure Investment Trusts (InvITs) (April 26, 2022)**

In order to enable the industry and other users to have an access to all the applicable circulars at one place, SEBI has issued Master Circular for Real Estate Investment Trusts and Infrastructure Investment Trusts. These Master Circulars are compilation of relevant circulars issued by SEBI up to March 31, 2022 which are operational as on date of this circular. Circulars providing temporary relaxations with regards to certain compliance requirements for REITs and InvITs in the wake of the COVID-19 pandemic have not been included in the master circulars.

*For details:*

[https://www.sebi.gov.in/legal/master-circulars/apr-2022/master-circular-for-real-estate-investment-trusts-reits-\\_58396.html](https://www.sebi.gov.in/legal/master-circulars/apr-2022/master-circular-for-real-estate-investment-trusts-reits-_58396.html)

[https://www.sebi.gov.in/legal/master-circulars/apr-2022/master-circular-for-infrastructure-investment-trusts-invits-\\_58394.html](https://www.sebi.gov.in/legal/master-circulars/apr-2022/master-circular-for-infrastructure-investment-trusts-invits-_58394.html)

### **System and Network Audit of Market Infrastructure Institutions (MIIs) (May 02, 2022)**

SEBI vide this circular has provided that the Stock Exchanges, Clearing Corporations, Depositories (hereinafter referred as 'Market Infrastructure Institutions - MIIs) are required to submit information with regard to exceptional major Non Compliances (NCs)/ minor NCs observed in the System and Network audit as per the prescribed format and are required to categorically highlight those observations/NCs/ suggestions pointed out in the System and Network audit (current and previous) which remain open. Further provided that the Systems and Network audit Report including compliance with SEBI circulars/ guidelines and exceptional observation format along with compliance status of previous year observations shall be placed before the Governing Board of the MII and then the report along with the comments of the Management of the MII shall be communicated to SEBI within a month of completion of audit.

*For details:*

[https://www.sebi.gov.in/legal/circulars/may-2022/system-and-network-audit-of-market-infrastructure-institutions-miis-\\_58624.html](https://www.sebi.gov.in/legal/circulars/may-2022/system-and-network-audit-of-market-infrastructure-institutions-miis-_58624.html)

### **Relaxation from compliance with certain provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (May 13, 2022)**

SEBI has provided the relaxation upto December 31, 2022, from Regulation 36 (1) (b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("LODR Regulations") which requires sending hard copy of annual report containing salient features of all the documents prescribed in Section 136 of the Companies Act, 2013 to the shareholders who have not registered their email addresses. Further, the notice of Annual General Meeting published by advertisement in terms of Regulation 47 of LODR Regulations, shall contain a link to the annual report, so as to enable shareholders to have access to the full annual report. Further provided that, the requirement of sending proxy forms under Regulation 44 (4) of the LODR Regulations is dispensed with upto December 31, 2022, in case of general meetings held through electronic mode only.

*For details:*

[https://www.sebi.gov.in/legal/circulars/may-2022/relaxation-from-compliance-with-certain-provisions-of-the-sebi-listing-obligations-and-disclosure-requirements-regulations-2015\\_58920.html](https://www.sebi.gov.in/legal/circulars/may-2022/relaxation-from-compliance-with-certain-provisions-of-the-sebi-listing-obligations-and-disclosure-requirements-regulations-2015_58920.html)

### **Relaxation from compliance with certain provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 - for entities with listed nonconvertible securities (May 13, 2022)**

SEBI has provided relaxation up to December 31, 2022, from the requirements of Regulation 58 (1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, which prescribes that an entity with listed non-convertible securities shall send a hard copy of statement containing the salient features of all the documents, as specified in Section 136 of Companies Act, 2013 and rules made thereunder to those holders of non-convertible securities who have not registered their email address(es) either with the listed entity or with any depository.

*For details:*

[https://www.sebi.gov.in/legal/circulars/may-2022/relaxation-from-compliance-with-certain-provisions-of-the-sebi-listing-obligations-and-disclosure-requirements-regulations-2015-for-entities-with-listed-non-convertible-securities\\_58924.html](https://www.sebi.gov.in/legal/circulars/may-2022/relaxation-from-compliance-with-certain-provisions-of-the-sebi-listing-obligations-and-disclosure-requirements-regulations-2015-for-entities-with-listed-non-convertible-securities_58924.html)

### **Guidelines for seeking NOC by Stock Brokers / Clearing Members for setting up Wholly Owned Subsidiaries, Step Down Subsidiaries, Joint Ventures in GIFT IFSC (May 13, 2022)**

SEBI vide this circular has provided that the format of application along with list of supporting documents for seeking NOC for setting up Wholly Owned Subsidiaries, Step Down Subsidiaries or entering into Joint Ventures in GIFT IFSC is placed as Annexure-A. Stock Brokers and Clearing Members shall apply through a Stock Exchange where the applicant is a member, along with the required information, documents and NOC received from all Stock Exchanges/Clearing Corporations/Depositories in which the applicant is a member/participant. Further, Stock Exchanges / Clearing Corporations (where the applicant is only clearing member) are directed to forward the complete application to SEBI, after verification along with its recommendation.

*For details:*

[https://www.sebi.gov.in/legal/circulars/may-2022/guidelines-for-seeking-noc-by-stock-brokers-clearing-members-for-setting-up-wholly-owned-subsidiaries-step-down-subsidiaries-joint-ventures-in-gift-ifsc\\_58918.html](https://www.sebi.gov.in/legal/circulars/may-2022/guidelines-for-seeking-noc-by-stock-brokers-clearing-members-for-setting-up-wholly-owned-subsidiaries-step-down-subsidiaries-joint-ventures-in-gift-ifsc_58918.html)

### **Simplification of procedure and standardization of formats of documents for transmission of securities (May 18, 2022)**

As an on-going measure to enhance ease of dealing in securities markets and with a view to make the transmission process more efficient and investor friendly, the procedure for transmission of securities has been further simplified. For ease of reference, a ready reckoner listing out the documents required for transmission of securities, in case of demise of the sole holder, has been provided. SEBI has also provided the Operational Guidelines for processing investor's service request for the purpose of transmission of securities.

*For details:*

[https://www.sebi.gov.in/legal/circulars/may-2022/simplification-of-procedure-and-standardization-of-formats-of-documents-for-transmission-of-securities-pursuant-to-amendments-to-the-securities-and-exchange-board-of-india-listing-obligations-and-dis-\\_59007.html](https://www.sebi.gov.in/legal/circulars/may-2022/simplification-of-procedure-and-standardization-of-formats-of-documents-for-transmission-of-securities-pursuant-to-amendments-to-the-securities-and-exchange-board-of-india-listing-obligations-and-dis-_59007.html)

### **Master Circular for Commodity Derivatives Market (May 17, 2022)**

In order to ensure availability of comprehensive information mentioned in the circulars pertaining to commodity derivatives market at one place, SEBI has been issuing Master Circular comprising of information mentioned in various circulars pertaining to commodity derivatives segment. This Master Circular has covered various circulars issued till March 31, 2022 and will supersede previous Master Circular SEBI/HO/CDMRD/DMP/P/CIR/2021/589 dated July 01, 2021. It is clarified that in case of any inconsistency between the Master Circular and the original applicable circular, the content of the original circular shall prevail.

*For details:*

[https://www.sebi.gov.in/legal/master-circulars/may-2022/master-circular-for-commodity-derivatives-market\\_58937.html](https://www.sebi.gov.in/legal/master-circulars/may-2022/master-circular-for-commodity-derivatives-market_58937.html)

### **Revised format of security cover certificate, monitoring and revision in timelines (May 19, 2022)**

Based on the recommendation of the Working Group, SEBI has revised the security cover format and is enclosed at Annexure I to this circular. In terms of regulation 54 read with regulation 56(1)(d) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, listed entities are required to disclose security cover to Stock Exchange and Debenture Trustee, and the format for preparation of security cover for listed debt securities was prescribed as per Annexure A of SEBI circular dated November 12, 2020. The revised format has been prepared to provide a holistic picture of all the borrowings and the status of encumbrance on the assets of the listed entity. Further, SEBI has provided the manner of preparation of security cover certificate by listed entity and Debenture Trustees.

*For details:*

[https://www.sebi.gov.in/legal/circulars/may-2022/revised-format-of-security-cover-certificate-monitoring-and-revision-in-timelines\\_59051.html](https://www.sebi.gov.in/legal/circulars/may-2022/revised-format-of-security-cover-certificate-monitoring-and-revision-in-timelines_59051.html)

### **Streamlining the Process of Rights Issue (May 19, 2022)**

SEBI has streamlined the rights issue process and provided that the trading in Right Entitlements (REs) on the secondary market platform of stock exchanges commence along with the opening of the right issue and has to be closed at least three working days prior to the closure of the rights issue. Earlier, the requirement was four days. SEBI received representation from the market that in case there are trading holidays between the last date of REs trading date and issue closure, the provision of the minimum gap of four days may not always ensure that there are adequate days for settlement, as minimum 2 working days are required for the settlement of REs traded on last day of REs trading window. REs traded on the exchange platform have a T+2 rolling settlement.

*For details:*

[https://www.sebi.gov.in/legal/circulars/may-2022/streamlining-the-process-of-rights-issue\\_59023.html](https://www.sebi.gov.in/legal/circulars/may-2022/streamlining-the-process-of-rights-issue_59023.html)

### **Simplification of procedure and standardization of formats of documents for issuance of duplicate securities certificates (May 25, 2022)**

With a view to make issuance of duplicate securities more efficient and investor friendly, SEBI has simplified the procedure and documentation requirements for issuance of duplicate securities. With regard to documents required to be submitted by a security holder while requesting for issuance of duplicate securities certificates, a copy of the FIR, including e-FIR, necessarily having details of the securities, folio number, distinctive number range and certificate numbers will be required. In addition, issuance of advertisement regarding loss of securities in a widely circulated newspaper and submission of Affidavit and Indemnity bond in a prescribed format will also be required. Further provided that duplicate securities shall be issued in dematerialized mode only as mandated vide SEBI Circular dated January 25, 2022.

*For details:*

[https://www.sebi.gov.in/legal/circulars/may-2022/simplification-of-procedure-and-standardization-of-formats-of-documents-for-issuance-of-duplicate-securities-certificates\\_59173.html](https://www.sebi.gov.in/legal/circulars/may-2022/simplification-of-procedure-and-standardization-of-formats-of-documents-for-issuance-of-duplicate-securities-certificates_59173.html)



### **Procedure for seeking prior approval for change in control of Portfolio Managers (June 02, 2022)**

To further streamline the process of providing approval to the proposed change in control of a Portfolio Manager, SEBI vide this circular has provided that an online application shall be made by Portfolio Manager to SEBI for prior approval through the SEBI Intermediary Portal. The prior approval granted by SEBI shall be valid for a period of six months from the date of such approval. Pursuant to grant of prior approval by SEBI, in order to enable existing investors/ clients to take well informed decision regarding their continuance or otherwise with the changed management, the portfolio manager shall inform its existing investors/ clients about the proposed change prior to effecting the same and give an option to exit without any exit load, within a period of not less than 30 calendar days, from the date of such communication. The provisions of this Circular shall be applicable with effect from June 15, 2022 to all applications for approval of applications of change in control of Portfolio Manager.

*For details:*

[https://www.sebi.gov.in/legal/circulars/jun-2022/procedure-for-seeking-prior-approval-for-change-in-control-of-portfolio-managers\\_59504.html](https://www.sebi.gov.in/legal/circulars/jun-2022/procedure-for-seeking-prior-approval-for-change-in-control-of-portfolio-managers_59504.html)

### **Extension of facility for conducting annual meeting and other meetings of unitholders of REITs and InvITs through Video Conferencing (VC) or through Other Audio-Visual means (OAVM) (June 03, 2022)**

SEBI has further extended the facility to conduct annual meetings of unitholders of REITs and InvITs in terms of Regulation 22(3) of SEBI (REIT) Regulations, 2014 and Regulation 22(3)(a) of SEBI (InvIT) Regulations, 2014 and meetings other than annual meeting, through VC or OAVM till December 31, 2022. REITs/ InvITs shall comply with the procedure prescribed in Annexure-I of SEBI circular no. SEBI/HO/DDHS/DDHS/CIR/P/2020/102 dated June 22, 2020.

*For details:*

[https://www.sebi.gov.in/legal/circulars/jun-2022/extension-of-facility-for-conducting-annual-meeting-and-other-meetings-of-unitholders-of-reits-and-invits-through-video-conferencing-vc-or-through-other-audio-visual-means-oavm-\\_59534.html](https://www.sebi.gov.in/legal/circulars/jun-2022/extension-of-facility-for-conducting-annual-meeting-and-other-meetings-of-unitholders-of-reits-and-invits-through-video-conferencing-vc-or-through-other-audio-visual-means-oavm-_59534.html)

### **Nomination for Mutual Fund Unit Holders (June 15, 2022)**

In order to bring uniformity in practices across all constituents in securities market, SEBI vide this circular has provided that in case of nomination for eligible Mutual Fund Unit Holders, investors subscribing to mutual fund units on or after August 01, 2022, shall have the choice of providing nomination in the format specified in fourth schedule of SEBI (Mutual Funds) Regulations, 1996 or opting out of nomination through a signed Declaration form as provided in Annexure - A to this circular. Further, AMC shall provide an option to the unit holders to submit either the nomination form or the declaration form for opting out of nomination in physical or online as per the choice of the unit holders. In case of physical option, the forms shall carry the wet signature of all the unit holders and in case of online option, the forms shall be using e-Sign facility recognized under the Information Technology Act, 2000, instead of wet signatures of all the unit holders.

*For details:*

[https://www.sebi.gov.in/legal/circulars/jun-2022/nomination-for-mutual-fund-unit-holders\\_59743.html](https://www.sebi.gov.in/legal/circulars/jun-2022/nomination-for-mutual-fund-unit-holders_59743.html)

**Modification in the Operational Guidelines for Foreign Portfolio Investors, Designated Depository Participants and Eligible Foreign Investors - Bank account details to which the payment is to be done electronically (June 21, 2022)**

Annexure D of the 'Operational Guidelines for Foreign Portfolio Investors, Designated Depository Participants and Eligible Foreign Investors', issued vide SEBI Circular No. IMD/FPI&C/CIR/P/2019/124 dated November 05, 2019, inter-alia, specifies Bank account details for remittance of various payment of various SEBI fees in US \$. In order to facilitate faster confirmation of remittances by the intermediaries, SEBI has modified Bank account details to which the payment is to be done electronically.

*For details:*

[https://www.sebi.gov.in/legal/circulars/jun-2022/modification-in-the-operational-guidelines-for-foreign-portfolio-investors-designated-depository-participants-and-eligible-foreign-investors-bank-account-details-to-which-the-payment-is-to-be-done-\\_59884.html](https://www.sebi.gov.in/legal/circulars/jun-2022/modification-in-the-operational-guidelines-for-foreign-portfolio-investors-designated-depository-participants-and-eligible-foreign-investors-bank-account-details-to-which-the-payment-is-to-be-done-_59884.html)

**Introduction of Unified Payments Interface (UPI) mechanism for Infrastructure Investment Trusts (InvITs) and Real Estate Investment Trusts (REITs) (June 24, 2022)**

SEBI has provided an additional option to individual investors to apply in public issues of units of InvITs and REITs with a facility to block funds through Unified Payments Interface (UPI) mechanism for application value upto Rs. 5 Lac. The process flow for availing the option of blocking funds through UPI mechanism is placed at Annex I to this Circular. The provisions of this circular shall be applicable to a public issue of units of InvIT and REITs under the SEBI (Infrastructure Investment Trusts) Regulations, 2014 and SEBI (Real estate Investment Trusts) Regulations, 2014, which opens on or after August 01, 2022.

*For details:*

[https://www.sebi.gov.in/legal/circulars/jun-2022/introduction-of-unified-payments-interface-upi-mechanism-for-infrastructure-investment-trusts-invits-\\_60072.html](https://www.sebi.gov.in/legal/circulars/jun-2022/introduction-of-unified-payments-interface-upi-mechanism-for-infrastructure-investment-trusts-invits-_60072.html)

[https://www.sebi.gov.in/legal/circulars/jun-2022/introduction-of-unified-payments-interface-upi-mechanism-for-infrastructure-investment-trusts-invits-\\_60072.html](https://www.sebi.gov.in/legal/circulars/jun-2022/introduction-of-unified-payments-interface-upi-mechanism-for-infrastructure-investment-trusts-invits-_60072.html)

**Reduction of timelines for listing of units of privately placed Infrastructure Investment Trust (InvIT) (June 24, 2022)**

As a part of the continuing endeavour to streamline the process of allotment and listing of units, SEBI has reduced the time taken for allotment and listing of units of privately placed Infrastructure Investment Trust (InvIT), after the closure of issue to six working days as against the present requirement of thirty working days. The provisions of this circular shall be applicable to listing of units of privately placed InvIT under the SEBI (Infrastructure Investment Trusts) Regulations, 2014 which opens on or after August 01, 2022.

*For details:*

[https://www.sebi.gov.in/legal/circulars/jun-2022/reduction-of-timelines-for-listing-of-units-of-privately-placed-infrastructure-investment-trust-invits-\\_60089.html](https://www.sebi.gov.in/legal/circulars/jun-2022/reduction-of-timelines-for-listing-of-units-of-privately-placed-infrastructure-investment-trust-invits-_60089.html)



### **Disclosure of holding of specified securities and Holding of specified securities in dematerialized form (June 30, 2022)**

SEBI vide Circular No. CIR/CFD/CMD/13/2015 dated November 30, 2015 had prescribed formats for disclosure of holding of specified securities and shareholding pattern under Annexure-I to the Circular. In the interest of providing further clarity and transparency in the disclosure of shareholding pattern to the investors in the securities market, the SEBI has partially modified the aforesaid circular. It is provided that in the disclosure of public shareholding, names of the shareholders holding 1% or more than 1% of shares of the listed entity is to be disclosed. Names of the shareholders who are persons acting in concert, if available, shall be disclosed separately. This Circular shall come into force with effect from the quarter ending September 30, 2022

*For details:*

[https://www.sebi.gov.in/legal/circulars/jun-2022/disclosure-of-holding-of-specified-securities-and-holding-of-specified-securities-in-dematerialized-form\\_60459.html](https://www.sebi.gov.in/legal/circulars/jun-2022/disclosure-of-holding-of-specified-securities-and-holding-of-specified-securities-in-dematerialized-form_60459.html)

### **Implementation of Circular on 'Execution of 'Demat Debit and Pledge Instruction' (DDPI) for transfer of securities towards deliveries / settlement obligations and pledging / re-pledging of securities' - Extension (June 30, 2022)**

SEBI vide circular no. SEBI/HO/MIRSD/DoP/P/CIR/2022/44 dated April 04, 2022 issued guidelines regarding execution of 'Demat Debit and Pledge Instruction' (DDPI) for transfer of securities towards deliveries / settlement obligations and pledging / re-pledging of securities. The provisions of this circular were to come into effect from July 01, 2022. In view of the representation received from Depositories and that the changes to the systems are still under process, SEBI has extended the implementation date of the aforesaid circular to September 01, 2022.

*For details:*

[https://www.sebi.gov.in/legal/circulars/jun-2022/implementation-of-circular-on-execution-of-demat-debit-and-pledge-instruction-ddpi-for-transfer-of-securities-towards-deliveries-settlement-obligations-and-pledging-re-pledging-of-securities-\\_60403.html](https://www.sebi.gov.in/legal/circulars/jun-2022/implementation-of-circular-on-execution-of-demat-debit-and-pledge-instruction-ddpi-for-transfer-of-securities-towards-deliveries-settlement-obligations-and-pledging-re-pledging-of-securities-_60403.html)

### **Investor Grievance Redressal Mechanism and Amendment to SEBI Circular no. SEBI/HO/DMS/CIR/P/ 2017/15 dated February 23, 2017 (July 04, 2022)**

SEBI has implemented an online platform (SCORES) designed to help investors to lodge their complaints, pertaining to securities market, against listed companies and SEBI registered intermediaries. In line with the same, to enable investors to lodge and follow up their complaints and track the status of redressal of such complaints from anywhere, all Recognized Stock Exchanges including Commodity Derivatives Exchanges / Depositories are advised to design and implement an online web based complaints redressal system of their own, which will facilitate investors to file complaints and escalate complaints for redressal through Grievance Redressal Committee (GRC), arbitration, appellate arbitration etc. in accordance with their respective byelaws, rules and regulations. The above redressal mechanism shall be implemented within 6 months from the issuance of this circular. The salient features of the system are enclosed as Annexure.

*For details:*

[https://www.sebi.gov.in/legal/circulars/jul-2022/investor-grievance-redressal-mechanism-and-amendment-to-sebi-circular-no-sebi-ho-dms-cir-p-2017-15-dated-february-23-2017\\_60535.html](https://www.sebi.gov.in/legal/circulars/jul-2022/investor-grievance-redressal-mechanism-and-amendment-to-sebi-circular-no-sebi-ho-dms-cir-p-2017-15-dated-february-23-2017_60535.html)

### **Modification in Cyber Security and Cyber resilience framework of Qualified Registrars to an Issue and Share Transfer Agents (“QRTAs”) (July 06, 2022)**

SEBI vide its circulars had prescribed framework for Cyber Security and Cyber Resilience for all Qualified Registrars to an Issue and Share Transfer Agents (QRTAs). Vide this circular the SEBI has modified paragraph-51 of Annexure A of its circular dated 08 September 2017 and provided that all Cyber-attacks, threats, cyber-incidents and breaches experienced by QRTAs shall be reported to SEBI within 6 hours of noticing / detecting such incidents or being brought to notice about such incidents. The incident shall also be reported to Indian Computer Emergency Response team (CERT-In) in accordance with the guidelines / directions issued by CERT-In from time to time. Additionally, the QRTAs, whose systems have been identified as “Protected system” by National Critical Information Infrastructure Protection Centre (NCIIPC) shall also report the incident to NCIIPC. The quarterly reports containing information on cyber-attacks, threats, cyber-incidents and breaches experienced by QRTAs shall be submitted to SEBI within 15 days from the quarter ended.

*For details:*

[https://www.sebi.gov.in/legal/circulars/jul-2022/modification-in-cyber-security-and-cyber-resilience-framework-of-qualified-registrars-to-an-issue-and-share-transfer-agents-qrtas\\_60605.html](https://www.sebi.gov.in/legal/circulars/jul-2022/modification-in-cyber-security-and-cyber-resilience-framework-of-qualified-registrars-to-an-issue-and-share-transfer-agents-qrtas_60605.html)

### **Modification in Cyber Security and Cyber resilience framework for Stock Brokers / Depository Participants (June 30, 2022)**

SEBI vide circular dated 03 December 2018, prescribed framework for Cyber Security and Cyber Resilience for Stock Brokers / Depository Participants. SEBI has modified the Annexure 1 of the aforesaid SEBI circular dated December 03, 2018 and provided that all Cyber-attacks, threats, cyberincidents and breaches experienced by Stock Brokers / Depositories Participants shall be reported to Stock Exchanges / Depositories & SEBI within 6 hours of noticing / detecting such incidents or being brought to notice about such incidents.

*For details:*

[https://www.sebi.gov.in/legal/circulars/jun-2022/modification-in-cyber-security-and-cyber-resilience-framework-for-stock-brokers-depository-participants\\_60453.html](https://www.sebi.gov.in/legal/circulars/jun-2022/modification-in-cyber-security-and-cyber-resilience-framework-for-stock-brokers-depository-participants_60453.html)

## SEBI Press Release

### **SEBI constitutes advisory committee on Environmental, Social and Governance (ESG) matters (May 06, 2022)**

SEBI has constituted a committee for advising on ESG related matters in the securities market. The committee will be chaired by Mr. Navneet Munot, the Chief Executive Officer of HDFC Mutual Fund. The terms of reference of the committee will include enhancements in Business Responsibility and Sustainability Report (BRSR), ESG Ratings and ESG Investing.

*For details:*

[https://www.sebi.gov.in/media/press-releases/may-2022/sebi-constitutes-advisory-committee-on-environmental-social-and-governance-esg-matters\\_58794.html](https://www.sebi.gov.in/media/press-releases/may-2022/sebi-constitutes-advisory-committee-on-environmental-social-and-governance-esg-matters_58794.html)

### **Grant of recognition to NSDL Database Management Limited (NDML) as an Accreditation Agency (May 10, 2022)**

NSDL Database Management Limited (NDML), a wholly owned subsidiary of National Securities Depository Limited (NSDL) has been granted recognition as an Accreditation Agency under Regulation 2(1) (aa) of SEBI (Alternative Investment Funds) Regulations, 2012 read with SEBI circular dated August 26, 2021, for a period of three years with effect from May 10, 2022. The renewal of the recognition would be subject to satisfactory performance by NDML. The procedure for accreditation of an investor and verification of accreditation status of an investor by investment providers (viz Alternative Investment Funds, Portfolio Managers and, Investment Advisers) and other modalities along with relevant circulars shall be displayed on the website of NSDL and NDML.

*For details:*

[https://www.sebi.gov.in/media/press-releases/may-2022/grant-of-recognition-to-nsdl-database-management-limited-ndml-as-an-accreditation-agency\\_58850.html](https://www.sebi.gov.in/media/press-releases/may-2022/grant-of-recognition-to-nsdl-database-management-limited-ndml-as-an-accreditation-agency_58850.html)

### **Shri Ashwani Bhatia takes charge as Whole Time Member, SEBI (June 01, 2022)**

Shri Ashwani Bhatia took charge as Whole Time Member, Securities and Exchange Board of India, in Mumbai, on June 01, 2022. Prior to this assignment, Shri Bhatia held the position of Managing Director in State Bank of India. Shri Bhatia will handle the Department of Debt and Hybrid Securities (DDHS), Alternative Investment Fund and Foreign Portfolio Investors Department (AFD), Market Intermediaries Regulation and Supervision Department (MIRSD), Corporation Finance Investigation Department (CFID) and Office of Investor Assistance & Education (OIAE).

*For details:*

[https://www.sebi.gov.in/media/press-releases/jun-2022/shri-ashwani-bhatia-takes-charge-as-whole-time-member-sebi\\_59424.html](https://www.sebi.gov.in/media/press-releases/jun-2022/shri-ashwani-bhatia-takes-charge-as-whole-time-member-sebi_59424.html)

**Caution to Investors against dealing with unregulated platforms offering Algorithmic Trading (June 10, 2022)**

It has come to the notice of Securities and Exchange Board of India (SEBI) that many unregulated platforms are offering investors Algorithmic Trading services/facilities to automate their trades. Strategies are being marketed with “claims” of huge return on investment along with “ratings” assigned to the strategies and claims that similar returns would be earned in the future. Investors are cautioned that these platforms are unregulated and thus there is no investor grievance redressal mechanism covering their activities. Investors are therefore cautioned against dealing with such unregulated platforms and cautioned against sharing any sensitive personal details with such platforms.

*For details:*

[https://www.sebi.gov.in/media/press-releases/jun-2022/caution-to-investors-against-dealing-with-unregulated-platforms-offering-algorithmic-trading\\_59672.html](https://www.sebi.gov.in/media/press-releases/jun-2022/caution-to-investors-against-dealing-with-unregulated-platforms-offering-algorithmic-trading_59672.html)

**Caution to public against fraudulent calls / e-mails / messages about refund of money (July 07, 2022)**

It has come to the notice of the Securities and Exchange Board of India (SEBI) that unscrupulous individuals are trying to cheat public by holding out as officials of Recovery and Refund Department of SEBI and falsely informing them about refund of money in various cases through phone calls/ e-mails/ messages. SEBI hereby cautions the public against such false claims of refund and cautions them against parting with any documents / money on such calls / emails/ messages etc. SEBI does not seek processing fees or money in any form in cases where money are to be refunded as per court order etc. The public / investors may also note that the employee directory of SEBI and details of refund process initiated by SEBI, if any, are available on SEBI website (www.sebi.gov.in) which may be checked on receiving such calls / e-mails / messages.

*For details:*

[https://www.sebi.gov.in/media/press-releases/jul-2022/caution-to-public-against-fraudulent-calls-e-mails-messages-about-refund-of-money\\_60649.html](https://www.sebi.gov.in/media/press-releases/jul-2022/caution-to-public-against-fraudulent-calls-e-mails-messages-about-refund-of-money_60649.html)

## SEBI Consultation Paper

### **Pre-filing of Offer Document in case of Initial Public Offerings (IPO) (May 11, 2022)**

SEBI has placed a consultation paper for public comments on Pre-filing of Offer Document in case of Initial Public Offerings (IPO). The comments may be sent latest by June 06, 2022 in the prescribed format. The objective of this consultation paper is to seek comments from the public on the proposal to introduce an alternative mechanism for regulatory review of offer document by permitting “pre-filing” of offer document for issuers contemplating IPO. Under the proposal, an issuer should make "pre-filing" of offer document with SEBI and Stock Exchanges without making it available for public for an initial scrutiny period only. This document shall contain all disclosures as required currently under the SEBI (Issue of Capital and Disclosure Requirements) Regulations. Stock Exchanges shall provide in-principle approval on the pre-filed document and SEBI shall provide its observations on the pre-filed document. The Updated Draft Red Herring Prospectus shall be available on websites of issuer company, lead managers, stock exchanges and SEBI for period of at least 21 days for public comments.

*For details:*

*[https://www.sebi.gov.in/reports-and-statistics/reports/may-2022/consultation-paper-on-pre-filing-of-offer-document-in-case-of-initial-public-offerings\\_58875.html](https://www.sebi.gov.in/reports-and-statistics/reports/may-2022/consultation-paper-on-pre-filing-of-offer-document-in-case-of-initial-public-offerings_58875.html)*

### **Consultation Paper on applicability of SEBI (Prohibition of Insider Trading) Regulations, 2015 to Mutual Fund (MF) units (July 08, 2022)**

SEBI has placed a consultation paper for public comments on applicability of SEBI (Prohibition of Insider Trading) Regulations, 2015 (“PIT Regulations”) to Mutual Fund (MF) units. The objective of this consultation paper is to solicit public comments / views on the proposal to cover dealing in units of Mutual Funds under PIT Regulations so as to harmonize the regulations governing trading in securities, while in possession of Unpublished Price Sensitive Information (UPSI). The public comments may be sent not later than July 29, 2022 in the prescribed format.

*For details:*

*[https://www.sebi.gov.in/reports-and-statistics/reports/jul-2022/consultation-paper-on-applicability-of-sebi-pit-regulations-to-mf-units\\_60689.html](https://www.sebi.gov.in/reports-and-statistics/reports/jul-2022/consultation-paper-on-applicability-of-sebi-pit-regulations-to-mf-units_60689.html)*

## SEBI Board Meeting

### SEBI Board Meeting (June 29, 2022)

The SEBI Board met on June 29, 2022 where it, inter-alia, approved the following:

- The SEBI Annual Report: 2021-22. In compliance with Section 18(2) of SEBI Act, 1992, the Annual Report would be submitted to the Central Government.
- The amendment to SEBI (Mutual Funds) Regulations, 1996 to remove applicability of the definition of “associate” as per the said regulations to such sponsors, which invest in various companies on behalf of the beneficiaries of insurance policies or such other schemes as may be specified by the Board from time to time.
- The amendments to the SEBI (Portfolio Managers) Regulations, 2020, to enhance prudential norms for investments by portfolio managers including investments in associates/ related parties.
- The participation of Foreign Portfolio Investors (FPIs) in Exchange Traded Commodity Derivatives (ETCDs). The existing Eligible Foreign Entity (EFE) route, which required actual exposure to Indian physical commodities, has been discontinued. Any foreign investor desirous of participating in Indian ETCDs with or without actual exposure to Indian physical commodities, can do so through FPI route. The participation of FPIs in ETCDs is expected to enhance liquidity and market depth as well as promote efficient price discovery.
- The Amendments to Securities Contracts (Regulation)(Stock Exchanges and Clearing Corporations) Regulations, 2012 (SECC Regulations) - provisions relating to Limited Purpose Clearing Corporation (LPCC) for clearing and settlement of Corporate Bond Repo Transactions, to align the provisions of the SECC regulations with those of the RBI Central Counter Party Directions, 2018.

*For details:*

[https://www.sebi.gov.in/media/press-releases/jun-2022/sebi-board-meeting\\_60354.html](https://www.sebi.gov.in/media/press-releases/jun-2022/sebi-board-meeting_60354.html)

## SEBI Adjudication Order

### Adjudication order in the matter of ADF Foods Limited (June 23, 2022)

SEBI imposed a penalty Rs. 40 lakh on two promoters of ADF Foods Limited and four others in a case related to insider trading. The amount has to be paid by noticees jointly and severally. SEBI, based on an alert generated by NSE, had conducted an investigation into the trading of scrip of ADF Foods Ltd. for the period May 2016 to July 2016. Pursuant to the investigation, the regulator observed that in May 2016, the discussion of the idea to undertake buyback or payment of the dividend was first tabled at a meeting.

*For details:*

[https://www.sebi.gov.in/enforcement/orders/jun-2022/adjudication-order-in-the-matter-of-adf-foods-limited\\_59981.html](https://www.sebi.gov.in/enforcement/orders/jun-2022/adjudication-order-in-the-matter-of-adf-foods-limited_59981.html)

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# Insolvency and Bankruptcy

## Info Capsule Series 12

**Withdrawal of Circular dated 26th August, 2019 regarding applicability of the Insolvency and Bankruptcy Board of India (Liquidation Process) (Amendment) Regulations, 2019 notified on 25th July, 2019 (May 06, 2022)**

The Board had issued a Circular dated 26th August 2019 clarifying that the provisions of the Insolvency and Bankruptcy Board of India (Liquidation Process) (Amendment) Regulations, 2019 (Amendment Regulations 2019) were applicable only to liquidation processes, which commenced on or after 25th July 2019. In order to bring more clarity, the Board has notified the Insolvency and Bankruptcy Board of India (Liquidation Process) (Amendment) Regulations, 2022 to clarify that provisions of regulations 2A, 21A, 31A and 44 as amended / inserted by the Amendment Regulations 2019 apply only to the liquidation processes commencing on or after 25th July, 2019. 3. In view of above, the Circular dated 26th August 2019 is withdrawn with immediate effect.

*For details:*

<https://www.ibbi.gov.in/uploads/legalframework/b6c7706eeb134271106c3c0cb56a1e27.pdf>

**Petition for insolvency gets time-barred if filed after 3 years: NCLAT (May 13, 2022)**

The National Company Law Appellate Tribunal (NCLAT) has set aside an order by the National Company Law Tribunal (NCLT) and held that corporate insolvency proceedings can't be initiated on the payment of salary arrears and other remuneration as they are timebarred. NCLAT said this is in the matter of Omega Laser Products B.V, a Dutch company, and a shareholder of its Indian arm. A former managing director (MD) of the company had moved the NCLT seeking payment of salary arrears from the Indian arm of the Company. The Appellate Tribunal ruled that the former MD's plea would be time-barred by limitation for initiating insolvency against the Indian arm, on the ground that it had been filed beyond a period of three years. The NCLAT said there was no acknowledgement of the debt by the Board of Corporate Debtor in terms of Section 18 of the Limitation Act, 1963. It held that the majority of the claims were barred by time.

*For details:*

[https://www.business-standard.com/article/economy-policy/petition-for-insolvency-getstime-barred-if-filed-after-3-years-nclat-122051200908\\_1.html](https://www.business-standard.com/article/economy-policy/petition-for-insolvency-getstime-barred-if-filed-after-3-years-nclat-122051200908_1.html)



### **NOIDA not financial creditor but operational creditor under IBC: SC (May 17, 2022)**

The Supreme Court on Tuesday held that the New Okhla Industrial Development Authority (NOIDA) is not a financial creditor but an operational creditor under the Insolvency and Bankruptcy Code (IBC). The apex court delivered its verdict on appeals filed by NOIDA in which a common question arose as to whether the authority is entitled to be treated as a financial creditor within the meaning of the IBC. "We would think that, having regard to the fact that both the NCLT and NCLAT have proceeded on the basis that the appellant (NOIDA) is an operational creditor, we need not stretch the exploration further and pronounce on the questions, which may otherwise arise," a bench of justices K M Joseph and Hrishikesh Roy said in its 186-page verdict.

*For details:*

[https://www.business-standard.com/article/currentaffairs/noida-not-financial-creditor-but-operationalcreditor-under-ibc-sc-122051701510\\_1.html](https://www.business-standard.com/article/currentaffairs/noida-not-financial-creditor-but-operationalcreditor-under-ibc-sc-122051701510_1.html)

### **NCLAT dismisses Hinduja Leyland Finance plea for insolvency proceedings (May 23, 2022)**

The NCLAT has dismissed the plea of Hinduja Leyland Finance Ltd to initiate insolvency proceedings against its creditor Fly Express Logistics. A three-member bench of the appellate tribunal upheld the earlier orders of the Allahabad bench of the National Company Law Tribunal (NCLT), which had on April 5, 2022, rejected the plea of Hinduja Leyland Finance. The NCLT had said the date of default was December 24, 2022 which falls within prohibition period mentioned in Section 10 A of the Insolvency & Bankruptcy Code (IBC) and no petition can ever be filed for initiation of Corporate Insolvency Resolution Process (CIRP) for a default occurring in such period. This was challenged by the Hinduja Group firm before the National Company Law Appellate Tribunal (NCLAT) contending that December 24, 2022 was wrongly mentioned as the date of default in the petition before NCLT. It wanted to file an amendment application but since the petition was dismissed by NCLT on the first day of the hearing, it could not do so, contended Hinduja Leyland Finance. However, the appellate tribunal also rejected the petition of Hinduja Leyland Finance after observing that December 24, 2022 was clearly mentioned as the date of default.

*For details:*

[https://www.business-standard.com/article/companies/nclat-dismisses-hinduja-leylandfinance-plea-for-insolvency-proceedings-122052300052\\_1.html](https://www.business-standard.com/article/companies/nclat-dismisses-hinduja-leylandfinance-plea-for-insolvency-proceedings-122052300052_1.html)

### **IBBI-Review of Circulars (May 23, 2022)**

The Insolvency and Bankruptcy Board of India (IBBI) issues Circulars in exercise of powers under section 196 of the Insolvency and Bankruptcy Code, 2016. In line with the same, the Board conducted an exercise of review of circulars issued by the Board. It was observed that certain circulars are no longer required on account of being already provided in IBBI (Insolvency Resolution Process for Corporate Persons) Regulations, 2016 or IBBI (Insolvency Professionals) Regulations, 2016 as the case may be. After reviewing the circulars, it has been decided to rescind circulars listed in the Annexure to the circular, with immediate effect.

*For details:*

<https://www.ibbi.gov.in/uploads/legalframework/e2f51931db6d2895b10df3d69021f8ae.pdf>

### **Standard Operating Procedure (SOP) for NCLT cases in respect of the Insolvency and Bankruptcy Code (IBC) - reg.(May 28, 2022)**

Insolvency and Bankruptcy Board of India has requested that role of GST and Customs authorities in certain key issue under the Insolvency and Bankruptcy Code, 2016 needs to be formulated. Further, GST and Customs Authorities have been classified as operational Creditors and are required to submit their claims against corporate debtors when the corporate insolvency and resolution process is initiated and public announcement inviting claims is made by the insolvency professional. Accordingly, the SOP, as outlined below, may be followed in view of the appointment of Nodal Officer:

- i. The Additional Director General, DGPM (hereinafter referred as the Nodal Officer) will receive the information regarding initiation of the insolvency resolution process of a unit/company from the IBBI for which a dedicated email ID, to be accessed by the said Nodal officer, will be created. The Nodal officer may nominate JC/ADC (TAR), DGPM as alternate Nodal Officer for assisting him in his work.
- ii. The Nodal Officer will disseminate the information received by him, through official email to all Zonal Pr./ Chief Commissioners with a copy to the concerned Pr. Commissioner/ Commissioner within 02 (Two) working days.

*For details:*

<https://www.ibbi.gov.in/uploads/whatsnew/d43197e20e9644e00e26c5e036e0a269.pdf>

### **NCLAT directs new board of IL&FS to pay lenders on a pro-rata basis (June 03, 2022)**

The National Company Law Appellate Tribunal (NCLAT) has directed the new board of Infrastructure Leasing & Financial Services (IL&FS) to pay lenders on a pro-rata basis first as opposed to the normal course of payment prescribed under Section 53 (distribution of assets) of the Insolvency and Bankruptcy Code (IBC). This will be done as part of the interim distribution. “We are of the view that IL&FS and its entities may take all steps to complete the resolution process as per the resolution framework and submit their application for approval before the NCLT by June 30, 2022,” the NCLAT said.

*For details:*

[https://www.business-standard.com/article/companies/nclat-directs-new-board-of-il-fs-topay-lenders-on-a-pro-rata-basis-122060300022\\_1.html](https://www.business-standard.com/article/companies/nclat-directs-new-board-of-il-fs-topay-lenders-on-a-pro-rata-basis-122060300022_1.html)

### **Insolvency Professionals to act as Interim Resolution Professionals, Liquidators, Resolution Professionals and Bankruptcy Trustees (Recommendation) Guidelines, 2022 (June 08, 2022)**

The Insolvency and Bankruptcy Board of India (Board) vide its notification dated June 08, 2022 has notified “Insolvency Professionals to act as Interim Resolution Professionals, Liquidators, Resolution Professionals and Bankruptcy Trustees (Recommendation) Guidelines, 2022” in suppression of earlier guidelines “Insolvency Professionals to act as Interim Resolution Professionals, Liquidators, Resolution Professionals and Bankruptcy Trustee (Recommendation) (Second) Guidelines, 2021” which were issued on December 01, 2021. The new guidelines shall come into effect for appointments as (Interim Resolution Professionals) IRP, Liquidator, Resolution Professional (RP) and Bankruptcy Trustees (BT) from July 01, 2022.

Every IP is equally qualified to be appointed as the IRP, Liquidator, RP or BT of any corporate or individual insolvency resolution, liquidation or bankruptcy process and in the interest of avoiding administrative delays, the Board considers necessary to have these guidelines to prepare a common

Panel of IPs for the purpose of section 16(4), 34(6), 97(4), 98(3), 125(4), 146(3) and 147(3) for appointment of IPs as IRP, Liquidator, RP and BT and share the same with the Adjudicating Authority (Hon'ble NCLT and Hon'ble DRT) in accordance with these Guidelines.

*For details:*

<https://www.ibbi.gov.in/uploads/whatsnew/14f9dc60ce012e8bfa7f47421cc79a0b.pdf>

### **Insolvency and Bankruptcy Board of India (Inspection and Investigation) (Amendment) Regulations, 2022 (June 14, 2022)**

The Insolvency and Bankruptcy Board of India (IBBI) vide its notification dated June 14, 2022 has notified "Insolvency and Bankruptcy Board of India (Inspection and Investigation) (Amendment) Regulations, 2022". The amendments inter-alia provides that:

- In the principal regulations, for the word "clients", wherever it occurs, the word "stakeholders" shall be substituted.
- Under Chapter III, new chapters namely; Chapter III-A (Investigation during Disposal of Complaint or Grievance) and Chapter III-B (Interim Order on Material Available on Record) has been inserted.

*For details:*

<https://www.ibbi.gov.in/uploads/legalframework/6247821df2e2415602c57c2e1ea406b0.pdf>

### **Insolvency and Bankruptcy Board of India (Information Utilities) (Amendment) Regulations, 2022 (June 14, 2022)**

The Insolvency and Bankruptcy Board of India (IBBI) vide its notification dated June 14, 2022 has notified "Insolvency and Bankruptcy Board of India (Information Utilities) (Amendment) Regulations, 2022". The amendments inter-alia provides that: o "Record of default" means the status of authentication of default issued in Form D of the Schedule."

- In the regulation 20 of the principal regulations, a sub-regulation is inserted stating, before filing an application to initiate corporate insolvency resolution process under section 7 or 9, as the case may be, the creditor shall file the information of default, with the information utility and the information utility shall process the information for the purpose of issuing record of default in accordance with regulation 21.
- In the principal regulations, in the Schedule, Form D\* (Record of Default) is inserted.

*For details:*

<https://www.ibbi.gov.in/uploads/legalframework/757420e96c77f5796f9cd936bba213a4.pdf>

**Insolvency and Bankruptcy Board of India (Insolvency Resolution Process for Corporate Persons) (Second Amendment) Regulations, 2022 (June 14, 2022)**

The Insolvency and Bankruptcy Board of India (IBBI) vide its notification dated June 14, 2022 has notified “Insolvency and Bankruptcy Board of India (Insolvency Resolution Process for Corporate Persons) (Second Amendment) Regulations, 2022”. The amendments inter-alia provides that:

- The operational creditor shall, alongwith application under section 9, furnish copies of relevant extracts of Form GSTR-1 and Form GSTR-3B filed under the provisions of the relevant laws relating to Goods and Services Tax and the copy of e-way bill wherever applicable: Provided that provisions of this regulation shall not apply to those operational creditors who do not require registration and to those goods and services which are not covered under any law relating to Goods and Services Tax.
- The financial creditor or operational creditor shall, while filing application under section 7 or 9, as the case may be, also furnish details of his/ its– (a) Permanent Account Number; and (b) Email-ID.”

*For details:*

<https://www.ibbi.gov.in/uploads/legalframework/4ab776f8d603aded095baf85e1c22c86.pdf>

**Provisional List of Insolvency Professionals for appointment as IRP, liquidator, RP and BT, during the period July 01, 2022 to December 31, 2022 (June 27, 2022)**

Insolvency and Bankruptcy Board of India published list of Insolvency Professionals which is prepared in accordance with ‘Insolvency Professionals to act as Interim Resolution Professionals, Liquidators, Resolution Professionals and Bankruptcy Trustees (Recommendation) Guidelines, 2022’, during the period July 1, 2022, to December 31, 2022, for appointment as Insolvency Resolution Professional (IRP) in a CIRP under section 16(4), liquidator in a liquidation process under section 34(6), Resolution Professional(RP) in an individual insolvency resolution process under section 97(4) or 98(3) and Bankruptcy Trustee (BT).

*For details:*

<https://www.ibbi.gov.in/uploads/whatsnew/5dbebe47be7ab490abac969bafd1f2b8.pdf>

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# Direct Tax

## Info Capsule Series 12

### **Additional conditions for compulsory filing of Income Tax return [Notification No. 37 Dated April 21, 2022]**

CBDT has notified additional conditions under section 139(1) of Income Tax Act 1961 for compulsory return filing which are as follows:

- (i) if his total sales, turnover or gross receipts, as the case may be, in the business exceeds sixty lakh rupees during the previous year; or
- (ii) if his total gross receipts in profession exceeds ten lakh rupees during the previous year; or
- (iii) if the aggregate of tax deducted at source and tax collected at source during the previous year, in the case of the person, is twenty-five thousand rupees or more; or (iv) the deposit in one or more savings bank account of the person, in aggregate, is rupees fifty lakh or more during the previous year:

*For details:*

<https://incometaxindia.gov.in/communications/notification/notification-37-2022.pdf>

### **Income tax 10th Amendment Rules 2022 [Notification No. 42 Dated April 22, 2022]**

The Central Board of Direct Taxes vide notification dated 22nd April, 2022 has issued the Income-tax (10th Amendment) Rules, 2022. The amendment provides that Forms or modes of investment or deposits by a charitable or religious trust or institution recognized by the rules include investment made by a person in the equity share capital or bonds or debentures of Open Network for Digital Commerce Ltd, being a section 8 (Non-profit) company for participating in network based open protocol models which enable digital commerce and interoperable digital payments in India.

*For details:*

[https://incometaxindia.gov.in/communications/notification/notification\\_no\\_42\\_2022.pdf](https://incometaxindia.gov.in/communications/notification/notification_no_42_2022.pdf)

### Supreme Court holds IT reassessment notices under Section 148 as valid (May04, 2022)

The Supreme Court while ruling in favour of the Income Tax Department, held that the notices issued by it under old section 148 will be deemed to have been issued under section 148A of the Income tax Act, 1961.

For details:

<https://www.freepressjournal.in/legal/sc-holds-it-reassessmentnotices-under-section-148-as-valid>

### Income-tax (Twelfth Amendment) Rules, 2022 [Notification No. 49 Dated May 5, 2022]

The Central Board of Direct Taxes (CBDT) has issued the Income-tax (Twelfth Amendment) Rules, 2022 to further amend the Income-tax Rules, 1962 as follow:

- In rule 44E which specifies Application for obtaining an advance ruling, sub-rule (2) has been substituted, as follow:

“(2) The application referred to in sub-rule (1), the verification, the annexures and the statements and documents accompanying the annexures of the application, shall be sign and verify as under:

In case of (10029	Digitally Signed (2)	Sign and Verification (3)	where, for any unavoidable reason, it is not possible to sign the application by the person as specified in column 3 (4)
Individual	Yes, if it is required under these rules to furnish his return of income under digital signature or communicated through his registered e-mail address, in any other case;	By himself	By any person duly authorised by him in this behalf.
Hindu undivided family		By the Karta	By any other adult member of such family.
Company	Yes	By the Managing Director	By any person duly authorised by the company in this behalf

Firm	Yes, if it is required under these rules to furnish his return of income under digital signature or communicated through his registered e-mail address, in any other case;	By the managing partner	By any partner not being a minor
AOP		By any member of the association or the principal officer	
Any other person		by that person or by some other person competent to act on his behalf	

The person signing the application as specified in column 4 of above table holds a valid power of attorney to do so, which shall be attached to the application; Further, FORM No. 34C, 34D, 34DA, 34E, 34EA which specifies Form of application for obtaining an advance ruling under section 245Q(1) of the Income-tax Act, 1961 has been substituted.

*For details:*

<https://egazette.nic.in/WriteReadData/2022/235571.pdf>

#### **Guidelines under clause (23FE) of section 10 of the Income-tax Act, 1961 [Circular No. 9 Dated May 9, 2022]**

The Ministry of Finance (MoF) on May 09, 2022 has issued the Guidelines under clause (23FE) of section 10 of the Income-tax Act, 1961 to provide for exemption to wholly owned subsidiaries of Abu Dhabi Investment Authority (ADIA), sovereign wealth funds (SWF) and pension funds (PF) on their income in the nature of dividend, interest and long-term capital gains arising from investment made in infrastructure in India, during the period beginning with April 01, 2020 and ending on March 31, 2024 subject to fulfilment of certain conditions. Certain Provisions of the Finance Act has been amended to incentivise infrastructure investments by specified persons in India. The guidelines are provided under the following headings:

- Transfer of investment within 3 years by the specified person or AIF/ domestic Company/NBFC
- Eligible infrastructure entity carrying on other businesses as well
- Violation of 50 %, 75 % or 90 % condition as per item (c), (d) or (e) of sub-clause (iii) of clause (23FE) of section 10 of the Act
- Violation of one or more conditions in clause (23FE) of section 10 of the Act or rules thereunder or under the notification exempting the specified person under the said clause.
- Computation of the capital gains arising to the specified person on account of the transfer of their holding in domestic company or non-banking finance company
- Secondary investment in infrastructure companies
- Tax audit
- Quarterly statement of investments

*For details:*

<https://incometaxindia.gov.in/communications/circular/circular-9-2022.pdf>



**CBDT notified amendment in Faceless penalty scheme, allowing mandatory personal hearing [Notification No. 54 Dated May 27, 2022]**

The Central Board of Direct Taxes (CBDT) has notified the amendment in the faceless penalty scheme, allowing mandatory personal hearing through electronic mode to any taxpayer who has sought a hearing. The amendment has omitted the Regional Faceless Penalty Centre from the Faceless Penalty Scheme and provides that electronic records shall be authenticated by the National Faceless Penalty Centre and even hearing should be done via them and not regional faceless penalty centre. The Faceless Penalty (Amendment) Scheme, 2022, notified says that such hearing will be held exclusively through video conferencing or video telephony, including use of any telecommunication application software which supports video conferencing or video telephony.

*For details:*

<https://egazette.nic.in/WriteReadData/2022/236054.pdf>

**Advance tax collection up 48% in April-June quarter (June 16, 2022)**

Advance tax paid by companies in the first quarter of the fiscal year grew 46 % over that in the equivalent period in 2021-22, indicating healthy tax buoyancy that will provide the government the cushion to absorb part of the higher subsidy bill.

*For details:*

[https://www.business-standard.com/article/economy-policy/advance-tax-payment-rises-48-in-q1fy23-direct-tax-collection-jumps-52-122061601142\\_1.html#:~:text=WEF%202022-,At%20Rs%2042%2C679%20crore%2C%20advance%20tax%20collection,48%25%20in%20April%2DJune%20quarter](https://www.business-standard.com/article/economy-policy/advance-tax-payment-rises-48-in-q1fy23-direct-tax-collection-jumps-52-122061601142_1.html#:~:text=WEF%202022-,At%20Rs%2042%2C679%20crore%2C%20advance%20tax%20collection,48%25%20in%20April%2DJune%20quarter)

**CBDT notifies TDS disclosure requirements for cryptos, virtual digital assets (June 22, 2022)**

The Income tax department has come out with detailed disclosure requirements for TDS deductions for virtual digital assets, under which date of transfer and mode of payment will have to be specified.

*For details:*

<https://economictimes.indiatimes.com/news/economy/policy/cbdt-notifies-tds-disclosure-requirements-for-cryptos-virtual-digital-assets/articleshow/92394479.cms>

### **Notification No. 70 (June 28, 2022)**

The Central Government notifies that where the variation between the Arm's Length Price (ALP) determined under section 92C of the Income Tax Act, 1961 and the price at which the International Transaction or Specified Domestic Transaction has actually been undertaken does not exceed 1% of the latter in respect of wholesale trading and 3% of the latter in all other cases, the price at which the international transaction or specified domestic transaction has actually been undertaken shall be deemed to be the arm's length price for assessment year 2022-2023.

*For details:*

<https://incometaxindia.gov.in/communications/notification/notification-70-2022.pdf>

### **Income Tax 20th Amendment Rules 2022 [Notification No. 73 Dated June 30, 2022]**

The Central Board of Direct Taxes notifies the Income-tax (20th Amendment) Rules, 2022 as under:

- (i) In rule 31A, after sub-rule (1), the following proviso shall be inserted: "Provided that where the exchange has, in accordance with the guidelines issued under sub-section (6) of section 194S, agreed to pay tax in relation to a transaction of transfer of a virtual digital asset, owned by it as an alternative to tax required to be deducted by the buyer of such asset under section 194S, the Exchange shall deliver or cause to be delivered, a quarterly statement of such transactions in Form No. 26QF to the Principal Director General of Income-tax (Systems) or Director General of Income-tax (Systems) or the person authorised by the Principal Director General of Income-tax (Systems) or the Director General of Income-tax (Systems).
- (ii) after sub-rule (4D), the sub-rule 4(E) shall be inserted as follow:  
(4E) The exchange shall, at the time of preparing of quarterly statement in Form No. 26QF, furnish particulars of account paid or credited on which tax was not deducted in accordance with guidelines issued under sub-section (6) of section 194S."

*For details:*

<https://egazette.nic.in/WriteReadData/2022/236915.pdf>

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# Indirect Tax

## Info Capsule Series 12

### **Clarification related to the misleading reports of purported feedback sought on raising GST Rates on 143 items (April 25, 2022)**

It has been noted that a section of the media has reported that feedback has been sought from States regarding a suggestion for raising Good & Services Tax (GST) rates on 143 items. Some reports have even carried the number and description of items. It is clarified that no feedback from States has been sought on the GST rates for any specific items or specific proposals to restructure the rates and the reports regarding the same are purely speculative without any basis in fact.

*For details:*

<https://www.pib.gov.in/PressReleasePage.aspx?PRID=1819963>

### **Revised guidelines for National Risk Management Committee (NRMC) for Customs & GST (Instruction No. 3 Customs dated April 23, 2022)**

There shall be established a National Risk Management Committee (NRMC) for Customs and GST. The DGARM, Delhi will be the nodal agency responsible for convening the NRMC meeting to review the functioning of the NCTC- Cargo, NCTC (Pax) and the GST Business Analytics Wing. These wings under the DGARM will supervise the implementation and enhancement of RMS, APIS and the DGARM applications and provide feedback for improving the effectiveness of risk management and all related aspects. The NRMC will be a Standing Committee with the Member (Investigation), CBIC, as Chairman and Additional Director General, DGARM Hars, Delhi will the Member Secretary of the NRMC.

*For details:*

<https://taxinformation.cbic.gov.in/view-pdf/1000415/ENG/Instructions>

### **GSTR-1/IFF enhancements deployed on GST Portal (April 27, 2022)**

The statement of outward supplies in FORM GSTR-1 is to be furnished by all normal taxpayers on a monthly or quarterly basis, as applicable. Quarterly GSTR-1 filers have also been provided with an optional Invoice Furnishing Facility (IFF) for reporting their outward supplies to registered persons (B2B supplies) in the first two months of the quarter. Continuous enhancements & technology improvements in GSTR-1/IFF have been made from time to time to enhance the performance & user-experience of GSTR1/IFF, which has led to improvements in Summary Generation process, quicker response time, and enhanced user-experience for the taxpayers.

*For details:*

<https://www.gst.gov.in/newsandupdates/read/534>

### **Status Note on GST compensation released to States/UTs (April 27, 2022)**

At the time of introduction of GST, the Constitution amendment provided that the Parliament, by law shall provide compensation to States for a period of five years for loss of revenue due to introduction of GST. Accordingly, the GST Compensation to States Act was legislated which provides for release of compensation against 14% year-on-year growth over revenues in 2015-16 from taxes subsumed in GST. This compensation cess is credited to the compensation fund and as per the Act, all compensation is paid out of the fund. Presently, cess is levied on items like pan masala, tobacco, coal and cars.

*For details:*

<https://www.pib.gov.in/PressReleasePage.aspx?PRID=1820749>

### **Goods and Service Tax Network (GSTN) has issued Advisory to composition taxpayers (April 30, 2022)**

Since FY 2019-20, composition taxpayers has to pay the liability through Form GST CMP08 on quarterly basis while return in Form GSTR-4 is required to be filed on annual basis after end of a financial year. Liability paid through Form GST CMP-08 is auto-populated in table 5 of the GSTR-4 for convenience of the taxpayers. Taxpayers who do not fill up table 6 of GSTR-4 i.e. no liability is declared, even though, taxpayer may have paid the liability through Form GST CMP-08; since the 'Tax payable' in GSTR-4 is computed after reducing the liability declared in GST CMP-08 which is auto-populated in table 5. Thus, if nothing is declared in table 6, then the negative liability entry appears in GSTR-4.

*For details:*

<https://www.gst.gov.in/newsandupdates/read/536>

### **GST Revenue collection for April 2022 highest ever at Rs 1.68 lakh crore (May 01, 2022)**

The gross GST revenue collected in the month of April, 2022 is Rs 1,67,540 crore of which CGST is Rs 33,159 crore, SGST is Rs 41,793 crore, IGST is Rs 81,939 crore (including Rs 36,705 crore collected on import of goods) and cess is Rs 10,649 crore (including Rs 857 crore collected on import of goods). The gross GST collection in April 2022 is all time high, Rs 25,000 crore more than the next highest collection of Rs. 1,42,095 crore, just last month.

*For details:*

<https://www.pib.gov.in/PressReleasePage.aspx?PRID=1821758>

### **Reporting 6% rate in GSTR - 1 (May 10, 2022)**

A new tax rate of 6% IGST or 3% CGST+ 3% SGST has been introduced on certain goods vide Notification No. 02/2022 dated March 31, 2022. Changes are being made on the GST portal to include this rate in GSTR-1. As a temporary measure, taxpayers who have to report goods at this rate may do so by reporting the entries in the 5% heading and then manually increasing the system computed tax amount to 6%. This can be done by entering the value in the 'Taxable value' column next to 5% tax-rate and then increasing the system computed tax-amount to 6% IGST or 3% CGST + 3% SGST in the 'Amount of Tax' column under the relevant Table, namely B2B, B2C or Export, as applicable. This will ensure that correct tax amount is reported in GSTR-1.

*For details:*

<https://www.gst.gov.in/newsandupdates/read/539>

### **CBIC extends due date for filing of Form GSTR-3B and Form GST PMT-06 (Notification No. 05/2022- Central Tax and Notification No. 06/2022 - Central Tax dated May 17, 2022)**

Central Board of Indirect Taxes and Customs extended the due date for furnishing the return in FORM GSTR-3B for the month of April, 2022 till May 24, 2022 and for depositing the tax due in FORM GST PMT-06 for the month of April, 2022 till May 27, 2022.

*For details:*

<https://egazette.nic.in/WriteReadData/2022/235799.pdf>

### **GoM calls for 28% GST on online gaming, casinos; tax likely on face value (May 19, 2022)**

An empowered Group of Ministers (GoM), set up to look into taxation of online gaming, casinos and races, has unanimously proposed a flat 28 per cent Goods and Services Tax (GST) on these activities. The panel of ministers, which met on May 18, 2022, also decided that the tax will be levied on the entire "face value" or "bet amount" and not on the total transaction value. Total transaction value includes the prize money, or the net commissions (revenues) that accrue to gaming firms.

*For details:*

[https://www.business-standard.com/article/economy-policy/gom-calls-for-28-gst-ononline-gaming-casinos-tax-likely-on-face-value-122051900023\\_1.html](https://www.business-standard.com/article/economy-policy/gom-calls-for-28-gst-ononline-gaming-casinos-tax-likely-on-face-value-122051900023_1.html)

### **GST Council recommendations not binding on Centre and states: Supreme Court ruling may impact GST provisions (May 19, 2022)**

The Supreme Court has ruled that the GST Council recommendations are not binding on the Centre and the states, and are only 'persuasive', in a landmark judgement that may impact the landscape of GST provisions under judicial review. The Parliament and state legislatures possess equal powers to legislate on GST, the Supreme Court said, upholding the judgement of the Gujarat High Court in Ocean Freight matter in the case of Mohit Minerals. It is for the GST Council to suitably advise the Central government and the state governments, the Supreme Court bench led by Justice DY Chandrachud said.

*For details:*

<https://www.financialexpress.com/economy/gst-council-recommendations-not-binding-on-centre-and-states-supreme-court-ruling-may-impact-gst-provisions/2530711/>

**Government allows duty-free import of 20 lakh tn per year of crude soyabean, sunflower oil (May 25, 2022)**

The government on May 24, 2022 exempted customs duty and agriculture infrastructure development cess on 20 lakh metric tonnes yearly import of crude soyabean and sunflower oil, to ease domestic prices. The duty-free import of 20 lakh MT per year will be applicable for two FYs (2022-23, 2023-24) for crude soyabean oil and crude sunflower oil, the Finance Ministry said in a notification.

*For details:*

<https://economictimes.indiatimes.com/news/economy/foreign-trade/customs-duty-agri-cess-cut-on-import-of-20-lakh-mt-of-crude-soybean-and-sunfloweroil/articleshow/91772213.cms>

**India puts GST rate tweaks on hold till it has a grip on inflation (May 26, 2022)**

The goods and services tax (GST) rate rationalisation exercise is likely to be delayed because of inflationary pressure and geopolitical tensions, said a senior finance ministry official as part of comments about the economy, asset sales and the government's borrowing programme.

*For details:*

<https://economictimes.indiatimes.com/news/economy/policy/india-puts-gst-rate-tweakson-hold-till-it-has-a-grip-on-inflation/articleshow/91799743.cms>

**CBIC waive off late fees for GSTR - 4 till June 30, 2022 (Notification No. 07/2022- Central Tax dated May 26, 2022)**

The late fee payable for delay in furnishing of FORM GSTR-4 for the Financial Year 2021- 22 under section 47 of the Central Goods and Services Act, 2017 is waived for the period from the May 01, 2022 till the June 30, 2022. Form GSTR-4 (Annual Return) is a yearly return to be filed once, for each financial year, by the taxpayers who have opted for Composition Scheme during the financial year, or were in Composition Scheme for any period during the said financial year, from April 01, 2019 onwards.

*For details:*

<https://www.cbic.gov.in/resources/htdocs-cbec/gst/notfctn-07-central-tax-english-2022.pdf>

**Rs. 1,40,885 crore gross GST Revenue collection for May 2022; increase of 44% year-on-year (June 01, 2022)**

The gross GST revenue collected in the month of May 2022 is Rs. 1,40,885 crore of which CGST is Rs. 25,036 crore, SGST is Rs. 32,001 crore, IGST is Rs. 73,345 crore (including Rs. 37469 crore collected on import of goods) and cess is Rs. 10,502 crore (including Rs. 931 crore collected on import of goods).

*For details:*

<https://www.pib.gov.in/PressReleasePage.aspx?PRID=1830039>

### **GSTN adds 6% of tax rate in GSTR-1 online (June 01, 2022)**

It may be noted that 6% tax rate has been added in the item details section of all the tables of form GSTR-1, except HSN table 12. In case your outward supplies attracts 6% tax rate, you are required to upload the details against 6% tax rate in the item details section.

*For details:*

<https://www.gst.gov.in/newsandupdates/read/543>

### **CBIC provide waiver of interest for specified electronic commerce operators for specified tax periods (Notification No. 08/2022- Central Tax dated June 07, 2022)**

CBIC has waived the interest rate on account of the non-filing of GSTR-8 by certain ecommerce operators under section 52 of the Central Goods and Services Tax Act, 2017(the Act). Electronic Commerce Operators having the prescribed Goods and Services Tax Identification Numbers who could not file the statement under sub-section (4) of section 52 of the said Act, for the month of December 2020, by the due date, due to technical glitch on the portal but had deposited the tax collected under sub-section (1) of section 52 for the said month in the electronic cash ledger, interest will not be charged from the date of depositing the tax collected under subsection (1) of section 52 of the said Act in the electronic cash ledger till the date of filing of the statement under subsection (4) of section 52.

*For details:*

<https://www.cbic.gov.in/resources/htdocs-cbec/gst/notfctn-08-central-tax-english-2022.pdf;jsessionid=4043CBA82A0F2589EC84EAAEDB1A36F0>

### **CBIC launched “E-Lecture Series by Eminent personalities on topics of national interest and indirect taxation”**

As part of celebrations of “ICONIC Week”, Central Board of Indirect Taxes & Customs (CBIC) has launched “E-Lecture Series by Eminent Personalities” today, June 09, 2022. The Ministry of Finance is celebrating the “ICONIC Week” from June 6th to 12th as part of the 'Azadi Ka Amrit Mahotsav' (AKAM) celebrations to mark the 75th year of India’s Independence. These celebrations were started by the Prime Minister, Shri Narendra Modi in New Delhi on June 06, 2022.

*For details:*

<https://www.pib.gov.in/PressReleasePage.aspx?PRID=1832193>

### **Finance Minister Smt. Nirmala Sitharaman dedicates to the nation Dharohar - National Museum of Customs and GST in Goa (June 11, 2022)**

Union Minister for Finance and Corporate Affairs Smt. Nirmala Sitharaman dedicated to the nation, “Dharohar” - the National Museum of Customs and GST in Goa as part of the Azadi Ka Amrit Mahotsav Iconic week of the Ministry of Finance, being celebrated from June 6-12, 2022. The dedication ceremony was performed in a unique manner, with the Finance Minister removing the golden sand from single rock art installed at the centuries old heritage building in which the museum is housed. The two storey ‘Blue building’, which was earlier known as Alfanega, during the period of Portuguese rule in Goa, has been standing on the banks of the Mandovi River in Panaji for more than 400 years.

*For details:*

<https://www.pib.gov.in/PressReleasePage.aspx?PRID=1833153>



### **Officers committee suggests deferment of decision on levying GST on crypto (June 24, 2022)**

The officers committee on GST has suggested the GST Council to defer a decision on taxability of cryptocurrency and other virtual digital assets. The Fitment Committee in its report to the GST Council has suggested that a law on regulation of cryptocurrency is awaited and it would be essential to identify all relevant supplies associated with the crypto-ecosystem, besides classification on whether they are goods or services. The committee of officers comprising both from Centre and states, referred to as Fitment Committee, felt that a deeper study was needed on the issues involved in crypto ecosystem.

*For details:*

<https://www.moneycontrol.com/news/business/economy/officers-committee-suggests-deferment-of-decision-onlevying-gst-on-crypto-8731001.html>

### **GST compensation cess on luxury items extended (June 26, 2022)**

The central government has extended the validity of compensation cess levied along with the GST on luxury and "sin" goods such as cars and tobacco by nearly four years to raise funds for the additional borrowings undertaken during Covid-19 pandemic to compensate states for their "revenue loss".

*For details:*

<https://timesofindia.indiatimes.com/business/india-business/gstcompensation-cess-on-luxuryitemsextended/articleshow/92463315.cms>

### **GST Council's 47th Meeting Starts Today: Things to Know About GST Council, Its 2- Day Meet (June 28, 2022)**

The much-awaited GST Council meeting will take place in Chandigarh on June 28, 2022 and June 29, 2022. The Council is likely to take up issues such as rate changes on a handful of items, including diamonds and ostomy appliances. It is also expected to discuss a group of ministers' (GoM) report on the imposition of a 28 per cent tax on online gaming, casinos and horse racing.

*For details:*

<https://www.news18.com/news/business/gst-councils-47th-meeting-starts-today-thingsto-know-about-gst-council-its-2-day-meet-5449753.html>

### **CBIC has issued the Customs Brokers Licensing (Amendment) Regulations 2022 (Notification No. 52/2022- Customs (N.T.) dated June 24, 2022)**

Each Customs Broker shall enroll himself as a member of the Customs Brokers' Association at every jurisdiction he operates, if there is such an Association registered in the Customs Station, where the Customs Broker is operating and recognised by the Principal Commissioner of Customs or Commissioner of Customs, as the case may be. No Customs Broker shall enroll himself in more than one Association, at a given time, in a particular jurisdiction.

*For details:*

<https://egazette.nic.in/WriteReadData/2022/236792.pdf>

### **Pre-packaged food under GST, 12% tax on hotels with tariff up to Rs 1,000 (June 29, 2022)**

Bringing pre-packaged and labelled food items such as wheat flour, puffed rice, curd/ lassi / buttermilk and paneer under the GST net, withdrawing exemption for hotels with rent below Rs 1,000 a day and correction of inverted duty structure for host of items such as edible oils, coal, LED lamps, printing ink, knives and solar water heaters are learnt to have been approved by the Goods and Services Tax (GST) Council on the first day of its 47th meeting on June 28, 2022.

*For details:*

<https://indianexpress.com/article/business/economy/pre-packaged-food-under-gst-12-tax-on-hotels-with-tariff-up-to-rs-1000-7997241/>

### **Recommendations of 47th GST Council Meeting (June 29, 2022)**

The 47th GST Council met under the Chairmanship of Union Minister for Finance & Corporate Affairs Smt. Nirmala Sitharaman in Chandigarh. The meeting was also attended by Union Minister of State for Finance Shri Pankaj Choudhary besides Finance Ministers of States & UTs and senior officers of the Ministry of Finance & States/ UTs. The GST Council has inter-alia made the following recommendations relating to changes in GST rates on supply of goods and services and changes related to GST law and procedure:

1. All taxable service of Department of Posts would be subject to forward charge. Hitherto certain taxable services of Department of post were taxed on reverse charge basis.
2. Goods transport agency (GTA) is being given option to pay GST at 5% or 12% under forward charge; option to be exercised at the beginning of Financial Year. RCM option to continue.
3. Service provided by Indian Tour operator to a foreign resident for a tour partially in India and partially outside India is to be subject to tax proportionate to the tour conducted in India for such foreign tourist subject to conditions that this concession does not exceed half of tour duration. The rate changes recommended by the 47th GST Council will be made effective from July 18, 2022.

*For details:*

<https://www.pib.gov.in/PressReleasePage.aspx?PRID=1838020>

### **Group of Ministers may not tweak 28% GST on online gaming, casinos (July 04, 2022)**

The Group of Ministers (GoM) reviewing the goods and services tax slabs for online gaming, horse racing and casinos is unlikely to tweak the 28% rate recommended for these activities. The GST Council has given the GoM, headed by Meghalaya Chief Minister Conrad Sangma, time till July 15 to review its proposals.

*For details:*

<https://economictimes.indiatimes.com/news/economy/policy/group-of-ministers-may-not-tweak-28-gst-on-online-gaming-casinos/articleshow/92641452.cms>

**Notification to make amendments (First Amendment, 2022) to the CGST Rules, 2017 (Notification No. 14/2022- Central Tax dated July 05, 2022)**

These rules may be called the Central Goods and Services Tax (Amendment) Rules, 2022. Rule 21A has been amended to provide that where the registration has been suspended under sub-rule (2A) for contravention of the provisions contained in clause (b) or clause (c) of sub-section (2) of section 29 and the registration has not already been cancelled by the proper officer under rule 22, the suspension of registration shall be deemed to be revoked upon furnishing of all the pending returns. Explanation 1 to Rule 43 has been amended to provide that value of supply of Duty Credit Scrips shall not be included for the purpose of reversal of common credits.

*For details:*

[https://www.cbic.gov.in/resources//htdocs-cbec/gst/14\\_2022\\_CT\\_Eng.pdf](https://www.cbic.gov.in/resources//htdocs-cbec/gst/14_2022_CT_Eng.pdf)

**Mandatory furnishing of correct and proper information of inter-State supplies and amount of ineligible/blocked Input Tax Credit and reversal thereof in return in FORM GSTR-3B and statement in FORM GSTR-1 (Circular No. 170/02/2022- Central Tax dated July 06, 2022)**

It is hereby advised that the registered persons making inter-State supplies-

(i) to the unregistered persons, shall also report the details of such supplies, place of supply-wise, in Table 3.2 of FORM GSTR-3B and Table 7B or Table 5 or Table 9/10 of FORM GSTR-1, as the case may be;

(ii) to the registered persons paying tax under section 10 of the SGST/CGST Act (composition taxable persons) and to UIN holders, shall also report the details of such supplies, place of supply-wise, in Table 3.2 of FORM GSTR-3B and Table 4A or 4C or 9 of FORM GSTR-1, as the case may be, as mandated by the law.

(iii) shall update their customer database properly with correct State name and ensure that correct PoS is declared in the tax invoice and in Table 3.2 of FORM GSTR-3B while filing their return, so that tax reaches the Consumption State as per the principles of destination-based taxation system

*For details:*

<https://taxinformation.cbic.gov.in/content-page/explore-circulars>

**GST: No Need for FY22 Annual Return if Turnover Up to Rs 2 Crore; UPI Allowed for GSTN Payment (July 06, 2022)**

The government has exempted registered persons whose aggregate turnover in the financial year 2021-22 was up to Rs 2 crore from filing the annual return for the financial year. The Unified Payments Interface (UPI) and IMPS payments mechanism have also been introduced to make payments at GSTN, the IT backbone of the indirect tax system, according to an official notification released on July 06, 2022.

*For details:*

<https://www.news18.com/news/business/gst-no-need-for-fy22-annual-return-if-turnover-up-to-rs-2-crore-upi-allowed-for-gstn-payment-5499925.html>

### **Government constitutes GoM on GST Appellate Tribunal (July 09, 2022)**

At its 47th meeting, held on June 28 and 29, 2022 in Chandigarh, the GST Council discussed the changes required in provisions pertaining to the GST Appellate Tribunal in the GST laws. At the meeting, the Council decided to constitute a GoM to look into the issues involved. The Finance Ministry has constituted a Group of Ministers on the Goods and Services Tax Appellate Tribunal. The GSTAT GoM will recommend any necessary changes to the GST Laws. This will ensure that the legal provisions maintain the right federal balance.

*For details:*

<https://www.livelaw.in/news-updates/goods-and-services-tax-appellate-tribunal-gstatgroup-of-ministers-gom-gst-council-203347>

### **CBIC to issue SOP for GST summons and notices (July 11, 2022)**

The Central Board of Indirect Taxes and Customs (CBIC) will soon come out with a detailed standard operating procedure (SOP) for serving summons and notices under the goods and services tax (GST) regime, to prevent harassment of businesses.

*For details:*

<https://economictimes.indiatimes.com/news/economy/policy/cbic-to-issue-sop-for-gstsummons-notices/articleshow/92791638.cms>

### **Law panel to look into GST on online gaming, Casinos (July 12, 2022)**

The Group of Ministers (GoM) on online gaming, horse racing and casinos, headed by Meghalaya Chief Minister Conrad Sangma, has reaffirmed 28% Goods and Services Tax (GST) on all the three activities but could not find consensus on the elements of the transaction that tax should be levied on. After a detailed discussion, the GoM decided to take the help of the law committee to look into the legal aspect raised by few stakeholders, said people aware of the matter.

*For details:*

<https://economictimes.indiatimes.com/news/economy/policy/law-panel-to-look-into-gst-on-online-gaming-casinos/articleshow/92836092.cms>

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# Banking & Insurance

## Info Capsule Series 12

### **Minutes of the Monetary Policy Committee Meeting, April 6 to 8, 2022 (April 22, 2022)**

The 34th meeting of the Monetary Policy Committee (MPC), constituted under section 45ZB of the Reserve Bank of India Act, 1934, was held from April 6 to 8, 2022. The MPC reviewed the surveys conducted by the Reserve Bank to gauge consumer confidence, households' inflation expectations, corporate sector performance, credit conditions, the outlook for the industrial, services and infrastructure sectors, and the projections of professional forecasters. The MPC also reviewed in detail staff's macroeconomic projections, and alternative scenarios around various risks to the outlook. On the basis of an assessment of the current and evolving macroeconomic situation, the MPC at its meeting decided to: keep the policy Repo Rate under the Liquidity Adjustment Facility (LAF) unchanged at 4.0 per cent. The Marginal Standing Facility rate and the Bank Rate remain unchanged at 4.25 per cent. The Standing Deposit Facility rate, which will now be the floor of the LAF corridor, will be at 3.75 per cent. The MPC also decided to remain accommodative while focusing on withdrawal of accommodation to ensure that inflation remains within the target going forward, while supporting growth.

*For details:*

[https://www.rbi.org.in/Scripts/BS\\_PressReleaseDisplay.aspx?prid=53601](https://www.rbi.org.in/Scripts/BS_PressReleaseDisplay.aspx?prid=53601)

### **ICICI Bank's Vishakha Mulye to join Aditya Birla Capital as CEO (April 24, 2022)**

ICICI Bank Executive Director Vishakha Mulye will be the new Chief Executive of Aditya Birla Capital, the holding company for the financial services businesses of the Aditya Birla Group. Mulye, a career banker with three decades of experience behind her, will join her new role on June 01, 2022 as CEO designate, Aditya Birla Group announced on April 23, 2022.

*For details:*

<https://economictimes.indiatimes.com/industry/banking/finance/banking/icici-banks-vishakha-mulye-to-join-aditya-birla-capital-as-ceo/articleshow/91037927.cms>

### **NBFC 'third party lending' set to come under auditors' scrutiny (April 27, 2022)**

Various funding arrangements entered by Non-Banking Financial Companies (NBFCs) are set to come under scrutiny of auditors with effect from FY22 audit that starts in the next few weeks. The Ministry of Corporate Affairs (MCA) had tightened the rules for company audits last year mandating companies to provide a new declaration saying they have not lent money to an intermediary with an understanding that the intermediary will in turn loan, or fund, it to a third company.

*For details:*

<https://economictimes.indiatimes.com/industry/banking/finance/banking/nbfc-third-party-lending-to-come-under-auditors-scrutiny/articleshow/91108772.cms>

### **Cabinet approves Rs. 820-crore extra infusion into India Post Payments Bank (April 28, 2022)**

The Cabinet on April 27, 2022 decided to raise the Government's equity infusion into India Post Payments Bank to Rs. 2,255 crore from Rs. 1,435 crore to meet regulatory requirements. It also granted an in-principle approval for fund infusion up to Rs. 500 crore in future to comply with regulatory needs and technological upgrade. "The objective of the project is to build the most accessible, affordable and trusted bank for the common man; spearhead the financial inclusion agenda by removing the barriers for the unbanked and reduce the opportunity cost for the under-banked populace through assisted doorstep banking," according to an official statement after the Cabinet meeting.

*For details:*

<https://www.financialexpress.com/industry/banking-finance/cabinet-approves-rs-820-crore-extra-infusion-into-india-post-payments-bank/2505767/>

### **Modified Interest Subvention Scheme for Short Term Loans for Agriculture and Allied Activities availed through Kisan Credit Card (KCC) during the financial year 2021-22 (April 28, 2022)**

In order to provide short term crop loans and short term loans for allied activities including animal husbandry, dairy, fisheries, bee keeping etc. upto an overall limit of `3 lakh to farmers through KCC at concessional interest rate during the year 2021-22, it has been decided to provide interest subvention of 2% per annum to lending institutions viz. Public Sector Banks (PSBs) and Private Sector Banks (in respect of loans given by their rural and semi-urban branches only), Small Finance Banks (SFBs) and computerized Primary Agriculture Cooperative Societies (PACS) which have been ceded with Scheduled Commercial Banks (SCBs), on use of their own resources.

*For details:*

<https://www.rbi.org.in/Scripts/NotificationUser.aspx?Id=12302&Mode=0>

### **NBFCs seek staggered migration to new norms; Shadow lenders continue talks with RBI (April 29, 2022)**

Mid-sized and small Non-Banking Financial Companies (NBFCs) are likely to be hit by rising costs while making transition to the new regulatory framework prescribed by the Reserve Bank of India (RBI), aimed at maximising regulatory parity between banks and non-bank lenders. While they are preparing to deal with higher spends towards guidelines like the implementation of core financial systems, they continue to engage with the regulator to seek a smoother and more staggered migration to the new norms.

*For details:*

<https://www.financialexpress.com/industry/banking-finance/nbfc-see-staggered-migration-to-new-norms-shadow-lenders-continue-talks-with-rbi/2506938/>

### **ICICI Bank launches India's 'open-for-all' digital ecosystem for MSMEs (April 28, 2022)**

ICICI Bank on April 28, 2022 has launched a digital service for Micro, Small and Medium Enterprises (MSMEs) that customers of other banks can use as well. The "digital ecosystem" offers enhanced banking services, banking services to MSMEs who are customers of other banks, and a range of value-added services for all.

*For details:*

[https://www.business-standard.com/article/finance/icici-bank-launches-india-s-first-open-for-all-digital-ecosystem-for-msmes-122042800645\\_1.html](https://www.business-standard.com/article/finance/icici-bank-launches-india-s-first-open-for-all-digital-ecosystem-for-msmes-122042800645_1.html)

### **IIFL, Open Financial Technologies enter JV, launch neobank for MSMEs (May 03, 2022)**

Non-Banking financial company, IIFL Finance Ltd and Open Financial Technologies, Asia's largest SME focused neo-banking platform announced a joint venture (JV) to launch India's first neobank that would cater to banking and credit requirements of Micro and Small Enterprises (MSMEs). Initial capital of the joint venture company will be Rs. 120 crore. The JV composition between IIFL Finance and Open is 51:49. The name of the joint venture would be IIFL Open Fintech Private Limited.

*For details:*

[https://www.business-standard.com/article/companies/iifl-open-financial-technologies-enter-jv-launch-neobank-for-msmes-122050300963\\_1.html](https://www.business-standard.com/article/companies/iifl-open-financial-technologies-enter-jv-launch-neobank-for-msmes-122050300963_1.html)

### **Review of Minimum Investment Grade Credit Ratings for Deposits of NBFCs (May 02, 2022)**

The Reserve Bank of India has issued Master Direction - Non-Banking Financial Companies Acceptance of Public Deposits (Reserve Bank) Directions, 2016 on August 25, 2016 wherein the names of approved credit rating agencies and their respective minimum investment grade credit rating for the purpose of accepting public deposits by NBFCs have been listed. Now, it has been decided that the minimum investment grade credit rating for deposits of NBFCs shall be 'BBB-' from any of the SEBI-registered Credit Rating Agencies.

*For details:*

<https://www.rbi.org.in/Scripts/NotificationUser.aspx?id=12304&Mode=0>



### **IRDAI panel suggests introducing combi micro insurance product [May 3, 2022]**

The Insurance Regulatory and Development Authority of India (IRDAI) has suggested introduction of a combi micro insurance (MI) product. A panel on MI, set up by IRDAI in February 2020, has suggested a product which can be developed on a modular basis giving flexibility to the insurer to offer coverage to different groups and individuals as per their specific protection needs.

*For details:*

<https://www.livemint.com/insurance/news/irdai-panel-suggests-introducing-combi-micro-insurance-product-11651577959110.html>

### **Liquidity Adjustment Facility- Change in rates (May 04, 2022)**

It has been decided by the Monetary Policy Committee (MPC) to increase the policy Repo rate under the Liquidity Adjustment Facility (LAF) by 40 basis points from 4.00 per cent to 4.40 per cent with immediate effect. Consequently, the Standing Deposit Facility (SDF) rate and Marginal Standing Facility (MSF) rate stand adjusted from 3.75 per cent to 4.15 per cent and from 4.25 per cent to 4.65 per cent respectively, with immediate effect.

*For details:*

<https://www.rbi.org.in/Scripts/NotificationUser.aspx?id=12309&Mode=0>

### **ASBA designated branches to remain open for public on May 8, 2022 (Sunday) to facilitate processing of applications for LIC IPO (May 04, 2022)**

The Government of India, in order to facilitate bidding for LIC IPO, has requested that all bank branches designated to process ASBA (Application Supported by Blocked Amount) applications may be kept open for public on May 08, 2022 (Sunday).

*For details:*

<https://www.rbi.org.in/Scripts/NotificationUser.aspx?id=12310&Mode=0>

### **Maintenance of Cash Reserve Ratio (CRR) (May 04, 2022)**

It has been decided to increase the Cash Reserve Ratio (CRR) of all banks by 50 basis points from 4.00 percent to 4.50 percent of their Net Demand and Time Liabilities (NDTL), effective from the reporting fortnight beginning May 21, 2022.

*For details:*

<https://www.rbi.org.in/Scripts/NotificationUser.aspx?id=12313&Mode=0>

### **LIC IPO : Insurance giant opens India's largest share sale [May 4, 2022]**

Shares in the Indian state-run insurance giant Life Insurance Corporation (LIC) have gone on sale in a \$2.75bn (£2.18bn) initial public offering, witnessing strong demand from policyholders. The government is offering a 3.5% stake in what will be India's largest share sale, despite both the size and valuation of the issue being slashed significantly to reflect current market conditions.

*For details:*

<https://www.bbc.com/news/world-asia-india-61296184>

### **PM Modi likely to launch 75 digital banks on August 15 (May 06, 2022)**

Prime Minister Narendra Modi is likely to roll out 75 Digital Banking Units across the country on August 15. These units will be totally paperless and will also work as digital financial literacy centres for the customers. The districts identified include Leh, Srinagar, Lakshadweep, Aizawl, Kota, Nainital and Lucknow among others. In a statement, the Indian Banks' Association said that all the public sector banks, 10 private sector banks and one small finance bank have already initiated the work to have these units operational by July 2022

*For details:*

<https://economictimes.indiatimes.com/industry/banking/finance/banking/pm-modilikely-to-launch-75-digital-banks-on-august-15/articleshow/91355568.cms>

### **Banks follow RBI footsteps, start a rate hiking trail (May 06, 2022)**

ICICI Bank, Bank of Baroda and Bank of India have raised interest rates on new loans by 40 basis points, a day after the Reserve Bank of India effected a similar but surprise increase in its repo rate to tame rising inflation. Other lenders are expected to follow suit, likely trimming disposable incomes of borrowers and thereby dampening demand for non-discretionary goods.

*For details:*

<https://economictimes.indiatimes.com/industry/banking/finance/banking/banksfollow-rbi-footsteps-start-a-rate-hiking-trail/articleshow/91359134.cms>

### **Analysts go cautious on NBFCs after irregularities come up (May 10, 2022)**

A shadow of doubt has been cast over the NBFC sector after recent disclosures of irregularities in some accounts, particularly post the Covid-led restructuring. On May 09, 2022, Can Fin Homes, the NBFC arm of Canara Bank disclosed that it had unearthed 37 accounts with fake income-tax returns and declared them as fraud and Non-Performing Assets (NPAs). Though the company clarified that the total amount impacted was less than Rs. 4 crore, the fact that Canara Bank had sent a team to support Can Fin Homes in risk, audit and general admin after this discovery has raised eyebrows.

*For details:*

<https://economictimes.indiatimes.com/industry/banking/finance/banking/analysts-go-cautious-onnbfc-after-irregularities-comeup/articleshow/91451847.cms>

### **Supreme Court upholds RBI remit over NBFCs, says state laws won't apply (May 11, 2022)**

Non-Banking Financial Companies (NBFCs) will be regulated by the Reserve Bank of India (RBI), and state money-lending laws will have no applicability on them, the Supreme Court (SC) said on May 10, 2022. The question before the SC was whether NBFCs regulated by the RBI, in terms of the provisions of Chapter IIIB of the Reserve Bank of India Act, 1934, could also be regulated by state enactments like the Kerala Money Lenders Act, 1958 and the Gujarat Money Lenders Act, 2011, with the Kerala and Gujarat High Courts taking opposite views. While the Gujarat HC had in 2011 held NBFCs would not fall under the purview of the Bombay Money Lenders Act, as applicable in the state, the Kerala High Court had given contrary findings, holding that the money-lending laws of the state were applicable.

*For details:*

<https://www.financialexpress.com/industry/banking-finance/supreme-court-upholds-rbi-remit-over-nbfc-says-state-laws-wont-apply/2519643/>

### **PNB mulls transferring NPAs worth Rs. 8,000 cr to bad bank in phases: Goel, MD & CEO (May 12, 2022)**

Punjab National Bank (PNB), the country's second-largest public sector bank expects an overall credit growth of 10 per cent in 2022-23 on the back of robust credit demand seen in steel, road and cement sectors besides NBFCs, its MD & CEO Atul Kumar Goel said on May 12, 2022. This was much higher than the six per cent overall credit growth seen in 2021-22.

*For details:*

<https://www.thehindubusinessline.com/money-and-banking/pnb-mulls-transferring-8000-cr-worth-npas-to-bad-bank-in-phases-goel-md-ceo/article65406811.ece>

### **RBI announces decision on six applications received under Guidelines for 'on tap' Licensing of Universal Banks and Small Finance Banks (May 17, 2022)**

The Reserve Bank has received 11 applications to set up bank under the Guidelines for 'on tap' Licensing of Universal Banks and Small Finance Banks. The examination of six applications has now been completed as per the procedure laid down under these guidelines. Based on the assessment of the applications (i) UAE Exchange and Financial Services Limited; (ii) The Repatriates Cooperative Finance and Development Bank Limited (REPCO Bank); (iii) Chaitanya India Fin Credit Private Limited and (iv) Shri Pankaj Vaish and others were not found suitable under Guidelines for 'on tap' Licensing of Universal Banks and (i) VSoft Technologies Private Limited and (ii) Calicut City Service Co-operative Bank Limited were not found suitable under Guidelines for 'on tap' Licensing of Small Finance Banks.

*For details:*

[https://www.rbi.org.in/Scripts/BS\\_PressReleaseDisplay.aspx?prid=53718](https://www.rbi.org.in/Scripts/BS_PressReleaseDisplay.aspx?prid=53718)

### **RBI Bulletin - May 2022 (May 17, 2022)**

The Reserve Bank of India on May 17, 2022 released the May 2022 issue of its monthly Bulletin. The Bulletin includes Monetary Policy Statement, 2022-23, Resolution of the Monetary Policy Committee (MPC) - May 2 and 4, 2022, one speech, four articles and current statistics. The four articles are: I. State of the Economy; II. Financial Stocks and Flow of Funds of the Indian Economy 2019-20; III. Growth Maximising External Debt of India; and IV. Irrigation Management for Sustainable Agriculture.

*For details:*

[https://www.rbi.org.in/Scripts/BS\\_PressReleaseDisplay.aspx?prid=53720](https://www.rbi.org.in/Scripts/BS_PressReleaseDisplay.aspx?prid=53720)

### **Please change the definition of 'fraud', bankers to urge RBI: Report (May 16, 2022)**

Indian banks will jointly move the Reserve Bank of India (RBI) asking to change the definition of the word "fraud" which crushes companies, leads to legalities even after the amount is repaid and petrify financiers, a media report said on May 16, 2022. Under the RBI, the regulation requires all banks to mark a lending company and all its accounts as "fraud account" when one lender puts a fraud tag. This leads to a process where lenders have to file police complaints and take a beating, which is often disproportionately higher than the size of the fraud.

*For details:*

[https://www.business-standard.com/article/finance/high-street-banks-to-urge-rbiasking-change-in-definition-of-fraud-122051600285\\_1.html](https://www.business-standard.com/article/finance/high-street-banks-to-urge-rbiasking-change-in-definition-of-fraud-122051600285_1.html)

### **Governor, Reserve Bank of India meets MD & CEOs of Public and Private Sector Banks (May 18, 2022)**

The Governor, Reserve Bank of India held meetings with the MD & CEOs of select Public and Private Sector Banks on May 17 and 18, 2022. The meetings were also attended by the Deputy Governors, Shri M. K. Jain and Shri M. Rajeshwar Rao along with a few senior officials of the RBI. He advised the banks to remain watchful of the recent geo-political developments and take mitigating measures proactively including raising of capital for ensuring that the potential impact on their balance sheets are minimised. The Governor also urged the banks to pay specific attention to further improve their grievance redress systems and continue to provide necessary support to the ongoing revival of economic activity. Among other matters, issues relating to credit off-take, outlook on asset quality, collection efficiency, consumer grievance redress, setting up of Digital Banking Units, resilience of IT infrastructure and cyber security defences in banks, etc. were also discussed.

*For details:*

[https://www.rbi.org.in/Scripts/BS\\_PressReleaseDisplay.aspx?prid=53726](https://www.rbi.org.in/Scripts/BS_PressReleaseDisplay.aspx?prid=53726)

### **Global storms hitting together prompted RBI to hike rate: MPC minutes (May 18, 2022)**

Several global storms hitting together prompted the Reserve Bank to hike the key interest rate in an off-cycle review by the Monetary Policy Committee (MPC), said the minutes of the rate-setting panel that were released on May 18, 2022. RBI Governor Shaktikanta Das, as per the minutes, said the off-cycle monetary policy actions were aimed at lowering inflation and anchoring inflation expectations with a view to strengthening the medium-term growth prospects of the economy and protecting the purchasing power of the weaker sections of society. The MPC after its meeting on May 2 and 4 had recommended raising the key interest rate (repo) by 40 basis points. The rate was hiked with immediate effect. It was the first hike since August 2018.

*For details:*

<https://www.financialexpress.com/economy/global-storms-hitting-together-prompted-rbi-to-hike-rate-mpc-minutes/2529749/>

### **Rating agencies in a limbo over RBI's new guidance on loans (May 19, 2022)**

Credit rating agencies have sought the intervention of their primary regulator, SEBI, in the wake of new directions from the RBI and the contradictions that have surfaced in the views of the two financial market watchdogs. The central bank has said ratings given on loans to a company cannot be notched up on the basis of "diluted and non-prudent support structures" such as letter of comfort, letter of support or undertaking, and other covers like pledge of shares.

*For details:*

<https://economictimes.indiatimes.com/industry/banking/finance/banking/rating-agencies-in-a-limbo-over-rbis-new-guidance-on-loans/articleshow/91651887.cms>

### **Interoperable Card-less Cash Withdrawal (ICCW) at ATMs (May 19, 2022)**

All banks, ATM networks and White Label ATM Operators (WLAOs) may provide the option of ICCW at their ATMs. NPCI has been advised to facilitate Unified Payments Interface (UPI) integration with all banks and ATM networks. While UPI would be used for customer authorisation in such transactions, settlement would be through the National Financial Switch (NFS) / ATM networks. The on-us / off-us ICCW transactions shall be processed without levy of any charges other than those prescribed under the circular on Interchange Fee and Customer Charges. Withdrawal limits for ICCW transactions shall be in-line with the limits for regular on-us / off-us ATM withdrawals. All other instructions related to Harmonisation of Turn Around Time (TAT) and customer compensation for failed transactions shall continue to be applicable.

*For details:*

<https://www.rbi.org.in/Scripts/NotificationUser.aspx?Id=12321&Mode=0>

### **SC orders constitution of special court for cheque bounce cases (May 19, 2022)**

The Supreme Court on May 19, 2022 directed the constitution of special courts with a retired judge in five states starting September 01 for expeditious disposal of cheque bounce cases. A three-judge bench of Justices L Nageswara Rao, B R Gavai, and S Ravindra Bhat said the special courts under the Negotiable Instruments Act (NI), would be set up in the states of Maharashtra, Delhi, Gujarat, Uttar Pradesh and Rajasthan in view of a large number of cases pending in these states.

*For details:*

<https://economictimes.indiatimes.com/industry/banking/finance/banking/sc-ordersconstitution-of-special-court-for-cheque-bounce-cases/articleshow/91660800.cms>

### **New Development Bank opens regional office in GIFT City (May 20, 2022)**

The New Development Bank (NDB) has announced the launch of its Indian Regional Office (IRO) in Gujarat International Finance Tec-City (GIFT City). Working in close coordination with the NDB Headquarters at Shanghai (China), the Indian Regional Office will focus on project origination (including initial project preparation and technical assistance), pipeline development, project implementation and monitoring as well as regional portfolio management, the NDB said in a statement.

*For details:*

<https://www.thehindubusinessline.com/money-and-banking/new-development-bank-opens-regional-office-in-gift-city/article65438522.ece>

### **RBI Constitutes Committee for Review of Customer Service Standards in RBI Regulated Entities (May 23, 2022)**

As part of the Statement on Developmental and Regulatory Policies released along with the Monetary Policy Statement on April 08, 2022, the Reserve Bank of India had announced setting up of a Committee for Review of Customer Service Standards in RBI Regulated Entities (REs) for examining and reviewing the state of customer service in the REs and adequacy of customer service regulations and suggest measures to improve customer service. Accordingly, the Reserve Bank of India has constituted a Committee.

*For details:*

[https://www.rbi.org.in/Scripts/BS\\_PressReleaseDisplay.aspx?prid=53750](https://www.rbi.org.in/Scripts/BS_PressReleaseDisplay.aspx?prid=53750)

### **Rate hike expectations in next MPC meet a no-brainer: RBI Guv Shaktikanta Das (May 24, 2022)**

Reserve Bank of India (RBI) Governor Shaktikanta Das on May 23, 2022 indicated that the central bank would continue to hike policy interest rates to bring down inflation but refused to say whether it will be raised to the pre-pandemic level. He also said the RBI will not allow a runaway depreciation of the rupee, adding that the currency has performed better than many other emerging market currencies. The Indian currency has depreciated over 6 per cent in the last one year.

*For details:*

[https://indianexpress.com/article/business/economy/expectation-of-rate-hike-in-next-policy-a-no-brainer-rbi-governor-shaktikanta-das-7931995/#:~:text=Reserve%20Bank%20of%20India%20\(RBI,hike%20is%20a%20no%20brainer](https://indianexpress.com/article/business/economy/expectation-of-rate-hike-in-next-policy-a-no-brainer-rbi-governor-shaktikanta-das-7931995/#:~:text=Reserve%20Bank%20of%20India%20(RBI,hike%20is%20a%20no%20brainer)



### **Housing Finance - Loans for repairs/additions/alterations - Enhancement of limits (May 24, 2022)**

The ceiling on loans to individuals for carrying out repairs/additions/alterations to their dwelling units was Rs.2 lakh in rural and semi-urban areas and Rs.5 lakh in urban areas. The ceiling on such loans is now revised to Rs.10 lakh in metropolitan centres (those centres with population of 10 lakh and above) and Rs.6 lakh in other centres.

*For details:*

<https://www.rbi.org.in/Scripts/NotificationUser.aspx?Id=12323&Mode=0>

### **As RBI's card storage deadline looms new payment infrastructure far from ready; small businesses to hurt more (May 24, 2022)**

As the Reserve Bank of India's (RBI) new card storage guidelines come into effect in about a month, which will mandate merchants to delete the customers card data, an alternative payment mechanism, i.e., card tokenisation is still not ready, and is still a "halfway product", industry sources said. It is expected to create disruptions in making payments as the June 30 deadline looms, they said, adding that the payment ecosystem is not fully prepared to implement the rules.

*For details:*

<https://www.financialexpress.com/industry/banking-finance/as-rbis-card-storage-deadline-looms-new-payment-infrastructure-far-from-ready-small-businesses-to-hurt-more/2536305/>

### **Credit card spending online nearly Rs. 30,000 crore higher than swipes in March : RBI data (May 24, 2022)**

Credit card spending online was nearly Rs. 30,000 crore more than the spending done through swipes at points of sale in March, indicating an increased preference among people for e-commerce purchases. Latest data from the Reserve Bank of India (RBI) showed that 7.3 crore credit card holders spent about Rs. 68,327 crore for buying online while the amount spent through swipes at Point of Sale (PoS) machines stood at Rs. 38,377 crore in March.

*For details:*

<https://economictimes.indiatimes.com/industry/banking/finance/banking/credit-cardspending-online-nearly-rs-30000-crore-higher-than-swipes-in-march-rbidata/articleshow/91771013.cms>

### **PSBs to pay Rs. 8,000 cr dividend to Centre (May 25, 2022)**

State-run banks have paid substantial dividends to their shareholders, many of them after a gap of nearly six years, as credit growth accelerated and asset quality improved. The Government stands to be the biggest beneficiary of the generous payouts by the banks and is expected to net nearly Rs. 8,000 crore. State-run banks, barring Central Bank of India, which is still under the Reserve Bank of India's (RBI's) restrictive Prompt Corrective Action framework (PCA) for weak banks, reported improved performance in the year ended 31 March.

*For details:*

<https://www.livemint.com/industry/banking/psbs-to-pay-8-000-cr-dividend-to-centre-11653418778321.html>



### **Tata Group may abandon plans to enter banking (May 25, 2022)**

The Tata Group is understood to have done a rethink on its banking business plans and may now not go ahead with it, said executives close to the development. The group had considered getting into banking through Tata Capital, its financial services arm, after a working group of the Reserve Bank of India (RBI) in November 2020 recommended granting banking licences to industrial houses. However, the executives said the restrictions and regulations that come with a banking licence would lead to operational issues for the conglomerate and also the costs would far outweigh the benefits of having a bank as part of the group.

*For details:*

<https://economictimes.indiatimes.com/industry/banking/finance/banking/tata-groupmay-abandon-plans-to-enter-banking/articleshow/91774359.cms>

### **Government on course on PSU bank privatisation: Sources (May 25, 2022)**

The Government is on course with the privatisation of two Public Sector Banks (PSBs) and will take appropriate steps in the coming months, sources said. In the Union Budget for 2021-22, the Government announced its intent to take up the privatisation of two PSBs in the year and approved a policy of strategic disinvestment of Public Sector Enterprises.

*For details:*

<https://economictimes.indiatimes.com/industry/banking/finance/banking/governmenton-course-on-psu-bank-privatisation-sources/articleshow/91795868.cms>

### **Lenders stare at Rs.19,000 cr NPAs (May 26, 2022)**

Banks are facing a fresh spike in bad loans, with close to 9% of the debt restructured under the Reserve Bank of India's pandemic relief plan turning sour in the last six months of 2021-22. Although overall bad loan numbers are improving, analysts are cautious about future delinquencies arising out of the restructured book. Over `18,500 crore of such loans has slipped into the Non-Performing Asset (NPA) category after borrowers were unable to repay despite an extension of the repayment period and easier payment terms.

*For details:*

<https://www.livemint.com/industry/banking/lenders-stare-at-19-000-cr-npas-11653503553916.html>

### **Credit growth : Private banks see 15.1% rise, 7.8% in PSBs (May 26, 2022)**

Private sector banks maintained double-digit growth in credit (y-o-y) which accelerated in successive quarters to reach 15.1 per cent in March 2022, as per the latest Reserve Bank of India (RBI) data. "Growth in lending by Public Sector Banks (PSBs) improved significantly to 7.8 per cent in March 2022 from 3.6 per cent a year ago," the RBI said in its 'Quarterly Statistics on Deposits and Credit of SCBs'. Private banks have been raising their market share in the total banking business in the last few years.

*For details:*

<https://indianexpress.com/article/business/banking-and-finance/credit-growth-private-banks-see-15-1-rise-7-8-in-psbs/>

### **RBI Balance Sheet rises by 8.46 pc (May 28, 2022)**

The size of the Reserve Bank's balance sheet increased by 8.46 per cent as on March 31, 2022, mainly reflecting its liquidity and foreign exchange operations during the year. While income for the year increased by 20.14 per cent, expenditure increased by 280.13 per cent. The year 2021-22 ended with an overall surplus of Rs. 30,307.45 crore as against Rs. 99,122 crore in the previous year, resulting in its decrease of 69.42 per cent, according to the RBI Annual Report.

*For details:*

<https://indianexpress.com/article/business/banking-and-finance/rbi-balance-sheet-rises-by-8-46-pc-7940460/>

### **PSU banks double net profit to record Rs. 66,500 crore in FY22 (May 30, 2022)**

Public Sector Banks (PSUs) have doubled their net profit during financial year 2021-22. The collective profit of 12 state-owned banks during 2021-22 worked out to Rs. 66,539 crore, an increase of 110% over Rs. 31,816 crore in FY21. Profitability has improved on the back of completion of clean-up of bad loans and economies of scale after amalgamation of 10 state-owned banks. Easily liquidity provided by the Reserve Bank of India and growth segments like retail loans are some other reasons.

*For details:*

<https://timesofindia.indiatimes.com/business/india-business/psu-banks-double-net-profit-to-record-66-5k-cr-in-fy22/articleshow/91878540.cms>

### **Interest Equalization Scheme (IES) on Pre and Post Shipment Rupee Export Credit - Extension (May 31, 2022)**

Presently extended IES would not be available to those beneficiaries who were availing of the benefit under any Production Linked Incentive (PLI) scheme of the Government. Now Government has issued a clarification that the extended IES will also be available to such beneficiaries for segments other than for which they have availed of Production Linked Incentive (PLI) benefits. Banks are advised to obtain a Self-Declaration under the IES from the exporters in a prescribed format. These provisions shall be deemed effective from October 01, 2021

*For details:*

<https://www.rbi.org.in/Scripts/NotificationUser.aspx?Id=12327&Mode=0>

### **Bank loans rise across sectors in April (May 31, 2022)**

Loan demand in April picked up at more than double the pace of last year at 11.3 percent compared to 4.7 percent last April as economic activity accelerated across sectors. Loan demand from large companies turned positive, as they are shifting back to banks to meet their funding needs as market rates surge.

*For details:*

<https://economictimes.indiatimes.com/industry/banking/finance/banking/bank-loansrise-across-sectors-in-april/articleshow/91925040.cms>

### **Former SBI executive to head bad bank (June 01, 2022)**

The National Assets Reconstruction Company Ltd (NARCL), the Government-backed bad bank, on May 31, 2022 said it has appointed former State Bank of India (SBI) official Natarajan Sundar as its Managing Director and Chief Executive. Sundar retired on 30 April as SBI Deputy Managing Director and Chief Credit Officer after 37 years with the bank. He has experience in corporate banking policies and products, and had a fairly long stint in SBI's mid, large corporate group as well as in project finance.

*For details:*

<https://www.livemint.com/industry/banking/former-sbi-executive-to-head-bad-bank-11654011751367.html>

### **Master Direction - Reserve Bank of India (Variation Margin) Directions, 2022 (June 01, 2022)**

The draft Variation Margin (Reserve Bank) Directions, 2020 were released for public comments on September 07, 2020. Based on the feedback received from the market participants, the draft Directions were reviewed and have since been finalised. The Master Direction - Reserve Bank of India (Variation Margin) Directions, 2022 shall come into force with effect from December 01, 2022.

*For details:*

<https://rbi.org.in/Scripts/NotificationUser.aspx?Id=12328&Mode=0>

### **UPI transactions cross Rs 10-trillion mark in May (June 02, 2022)**

Unified Payments Interface (UPI) transactions continued to grow in May with the platform processing transactions of Rs 10 trillion during the month. In volume terms, transactions were at 5.95 billion during the month, according to data released by the National Payments Corporation of India. UPI transactions more than doubled on a year-on-year basis, in terms of both volume and value. In May 2021, the value of UPI transactions stood at Rs. 4.91 trillion while the number of transactions totalled to 2.54 billion.

*For details:*

<https://www.financialexpress.com/industry/banking-finance/upi-transactions-cross-rs-10-trillion-mark-in-may/2545651/>

### **RBI to begin three-day monetary policy meet from today, June 06, 2022 to decide on key rates**

The Reserve Bank's rate-setting panel will begin its three-day deliberations on June 06, 2022 to decide the next monetary policy in the backdrop of high inflationary concerns and evolving geopolitical situation. Reserve Bank Governor Shaktikanta Das headed sixmember Monetary Policy Committee (MPC) is scheduled to announce the policy resolution on June 08, 2022.

*For details:*

<https://www.livemint.com/industry/banking/rbi-to-begin-three-day-monetary-policy-meet-from-today-to-decide-on-key-rates-11654474193725.html>

### **Branches of Indian Banks operating in GIFT-IFSC - acting as Professional Clearing Member (PCM) of India International Bullion Exchange IFSC Limited (IIBX) (June 07, 2022)**

On a review, it has been decided to allow the branches of Indian banks operating in GIFTIFSC to act as PCM of IIBX. The instructions are applicable to domestic scheduled commercial banks (including foreign banks operating through a Wholly Owned Subsidiary incorporated in India), which are authorised to deal in foreign exchange and have a branch in GIFT-IFSC. The parent bank shall seek a No Objection Certificate (NoC) from the Reserve Bank of India prior to its branch in GIFT-IFSC seeking professional clearing membership of IIBX, subject to fulfilment of the prudential requirement. An eligible bank shall, with prior approval of its Board, make an application to the Department of Regulation, Reserve Bank of India with details of its proposed business plan as a PCM along with particulars of the risk management architecture instituted at its branch in GIFT-IFSC.

*For details:*

<https://www.rbi.org.in/Scripts/NotificationUser.aspx?Id=12330&Mode=0>

### **Alok Kumar Choudhary to be new SBI MD (June 07, 2022)**

The centre has approved the appointment of Alok Kumar Choudhary, Deputy Managing Director of State Bank of India as the Managing Director for a period of 2 years. Choudhary, who was currently in charge of the finance portfolio, will now be in charge of corporate banking and information technology in his new role at SBI.

*For details:*

<https://www.livemint.com/industry/banking/alok-kumar-choudhary-to-be-new-sbi-md-11654545526943.html>

### **IBA expert panel to vet loan recast proposals (June 08, 2022)**

Banks will jointly set up an expert committee to vet loan restructuring proposals involving amounts of Rs.500 crore and above to shield officials from any subsequent scrutiny by investigative agencies, said people with knowledge of the matter. The committee, which will be set up by the Indian Banks' Association, will comprise financial services experts and persons of eminence from the industry, they said. It will conduct process validation of the restructuring without interfering in the commercial judgment of the lenders.

*For details:*

<https://economictimes.indiatimes.com/industry/banking/finance/banking/iba-expertpanel-to-vet-loan-recast-proposals/articleshow/92069454.cms>

### **Change in Bank Rate (June 08, 2022)**

As announced in the Monetary Policy Statement 2022-23 dated June 08, 2022, the Bank Rate is revised upwards by 50 basis points from 4.65 per cent to 5.15 per cent with immediate effect. All penal interest rates on shortfall in reserve requirements, which are specifically linked to the Bank Rate, also stand revised.

*For details:*

<https://www.rbi.org.in/Scripts/NotificationUser.aspx?Id=12333&Mode=0>

### **Liquidity Adjustment Facility - Change in rates & Standing Liquidity Facility for Primary Dealers (June 08, 2022)**

After announcement of Monetary Policy Statement, 2022-23 on June 08, 2022, it has been decided by the Monetary Policy Committee (MPC) to increase the policy Repo rate under the Liquidity Adjustment Facility (LAF) by 50 basis points from 4.40 per cent to 4.90 per cent with immediate effect. Consequently, the Standing Deposit Facility (SDF) rate and Marginal Standing Facility (MSF) rate stand adjusted to 4.65 per cent and 5.15 per cent respectively, with immediate effect. The Standing Liquidity Facility provided to Primary Dealers (PDs) (collateralised liquidity support) from the Reserve Bank would be available at the revised repo rate of 4.90 per cent with effect from June 8, 2022.

*For details:*

<https://www.rbi.org.in/Scripts/NotificationUser.aspx?Id=12331&Mode=0>  
&  
<https://www.rbi.org.in/Scripts/NotificationUser.aspx?Id=12332&Mode=0>

### **Section 23 of the Banking Regulation Act, 1949 - Doorstep Banking (June 08, 2022)**

Primary (Urban) Co-operative Banks (UCBs) are required to seek prior approval of the Reserve Bank for opening any new place of business including offering services at the doorstep of the customer. It has been decided to allow financially sound and well managed (FSWM) UCBs to provide Doorstep Banking Services to their customers on a voluntary basis. However, Non-FSWM UCBs would have to seek prior approval of concerned Regional Office of Department of Supervision of the Reserve Bank to provide Doorstep Banking Services.

*For details:*

<https://www.rbi.org.in/Scripts/NotificationUser.aspx?Id=12334&Mode=0>

### **Enhancement in Individual Housing Loan limits and credit to Commercial Real Estate - Residential Housing (CRE-RH) & Individual Housing loans - Enhancement in limits (June 08, 2022)**

As announced in the Statement on Developmental and Regulatory Policies, it has been decided to revise the limits on residential housing loans sanctioned by rural cooperative banks to an individual borrower and individual housing loans sanctioned by urban co-operative banks to an individual borrower.

*For details:*

<https://www.rbi.org.in/Scripts/NotificationUser.aspx?Id=12335&Mode=0>  
&  
<https://www.rbi.org.in/Scripts/NotificationUser.aspx?Id=12336&Mode=0>

### **RBI allows RuPay credit card transactions on UPI (June 09, 2022)**

The Reserve Bank of India (RBI) on June 08, 2022 allowed linking of RuPay credit cards to the UPI network, a move that experts say has the potential to expand the market for credit by nearly five times. While the current estimate for those availing instant loans is around 50 million, allowing credit card transactions through UPI interface is set to provide almost all the 250 million users of UPI access to such credit.

*For details:*

<https://economictimes.indiatimes.com/tech/technology/rbi-allows-rupay-credit-cardtransactions-on-upi/articleshow/92090548.cms>

### **Discontinuation of Return under Foreign Exchange Management Act, 1999 (June 09, 2022)**

Attention of Authorised Persons is invited to A.P. (DIR series) circular No 26, dated February 18, 2022, wherein Authorised Persons were advised about proposed discontinuation of the return “Details of guarantee availed and invoked from nonresident entities”. It was also advised that the date of discontinuation would be notified in due course. It has now been decided to discontinue the ‘Statement for reporting of non-resident guarantees issued and invoked in respect of fund and nonfund based facilities between two persons resident in India’ with effect from the quarter ending June 2022.

*For details:*

<https://www.rbi.org.in/Scripts/NotificationUser.aspx?Id=12337&Mode=0>

### **RBI to soon come out with regulatory architecture for digital lending platforms (June 09, 2022)**

The Reserve Bank of India (RBI) will soon come out with a broad regulatory architecture to address the challenges posed by digital lending platforms, according to Governor Shaktikanta Das.

*For details:*

<https://www.thehindubusinessline.com/money-and-banking/rbi-to-soon-come-out-with-regulatory-architecture-for-digital-lending-platforms/article65510919.ece>

### **PSBs now look to move out of Hong Kong on bleak prospects (June 10, 2022)**

Public Sector Banks are slowly moving out of Hong Kong as tougher regulations, losses on trade financing business and Covid-related restrictions have diminished the importance of the island city, which was once a premier global financing hub. Out of the eight Public Sector Banks operating in Hong Kong, four have already closed or are at different stages of closing.

*For details:*

<https://economictimes.indiatimes.com/industry/banking/finance/banking/psbsnow-look-to-move-out-of-hong-kong-on-bleak-prospects/articleshow/92113814.cms>



### **Linking credit cards to UPI to test the zero-MDR regime (June 10, 2022)**

The Reserve Bank of India's (RBI) decision to allow linking of credit cards to the Unified Payments Interface (UPI) network will test the zero-Merchant Discount Rate (MDR) benefits available to homegrown payments systems.

*For details:*

<https://www.livemint.com/industry/banking/linking-credit-cards-to-upi-to-testthe-zero-mdr-regime-11654802695701.html>

### **Banks to report borrowers not cooperating in forensic audits (June 10, 2022)**

Borrowers who won't cooperate in their forensic audits will now be reported to all banks. The move comes as lenders want to speed up the forensic audit while preventing such borrowers from taking any more loans from other banks.

*For details:*

<https://economictimes.indiatimes.com/industry/banking/finance/banking/banksto-report-borrowers-not-cooperating-in-forensicaudits/articleshow/92113412.cms>

### **RBI approves appointment of Mr. R Subramaniakumar as MD & CEO of RBL Bank (June 12, 2022)**

The Reserve Bank of India has approved the appointment of Mr. R Subramaniakumar as Managing Director and CEO of RBL Bank. Mr. Subramaniakumar is a veteran banker with over 40 years of experience. In the past, he has held the position of Managing Director and CEO of Indian Overseas Bank. He was also appointed by the RBI as the Administrator of troubled Dewan Housing Finance Corporation Limited and achieved its resolution.

*For details:*

<https://www.livemint.com/companies/news/rbi-approves-appointment-of-rsubramaniakumar-as-md-and-ceo-of-rbl-bank-11654967654267.html>

### **Report of the Regulations Review Authority (RRA 2.0) (June 13, 2022)**

Regulations Review Authority (RRA 2.0) was set-up by the Reserve Bank of India (RBI) vide press release dated April 15, 2021, with the objective of reducing the compliance burden on Regulated Entities (REs) by streamlining the regulatory instructions and rationalising reporting requirements. The RRA 2.0 has since submitted its report containing final set of recommendations. The report, inter alia, contains recommendations on ease of compliance and reduction in regulatory burden, streamlining of reporting mechanism and dissemination and ease of accessibility of regulatory instructions. In addition, RRA has recommended withdrawal of 714 circulars in the four tranches of interim recommendations on November 16, 2021, February 18, 2022, May 2, 2022 and May 13, 2022. Also, on February 18, 2022, RRA had recommended discontinuation / merger / conversion to online filing of 65 regulatory returns and creation of a new "Regulatory Reporting" link on the RBI website to consolidate information relating to regulatory reporting and submission of returns by REs at a single place.

*For details:*

[https://rbi.org.in/Scripts/BS\\_PressReleaseDisplay.aspx?prid=53858](https://rbi.org.in/Scripts/BS_PressReleaseDisplay.aspx?prid=53858)



### **Bank credit offtake ticks up even as interest rates rise: Services lead (June 13, 2022)**

Credit offtake in the banking system is showing signs of a pickup at a time when interest rates are on the upswing. The year-on-year bank credit growth rate has crossed the 12 per cent level to 12.1 per cent as of May 20, 2022, as against 6 per cent growth in the same period of last year, according to the latest Reserve Bank data.

*For details:*

<https://indianexpress.com/article/business/banking-and-finance/bank-credit-offtake-ticks-up-even-as-interest-rates-rise-services-lead-7966415/>

### **Monthly instalment bounce rates fall to more than 3-yr low (June 14, 2022)**

Bounce rates, or defaults in paying Equated Monthly Instalments (EMIs), fell to a 38-month low of 22% by value in May, well below pre-covid levels of 24-25% and near June 2019 levels as most borrowers keep repaying dues on time, according to an analysis of National Payments Corporation of India (NPCI) data.

*For details:*

<https://www.livemint.com/industry/banking/monthly-instalment-bounce-rates-fall-to-more-than-3-yr-low-11655149280776.html>

### **Nomination of part-time Non-official Directors on the Central Board of Reserve Bank of India (June 14, 2022)**

The Central Government has nominated Shri Anand Gopal Mahindra, Shri Venu Srinivasan, Shri Pankaj Ramanbhai Patel and Dr Ravindra H. Dholakia as part-time non-official Directors on the Central Board of Reserve Bank of India, for a period of four years with effect from June 14, 2022 or until further orders, whichever is earlier.

*For details:*

[https://www.rbi.org.in/Scripts/BS\\_PressReleaseDisplay.aspx?prid=53864](https://www.rbi.org.in/Scripts/BS_PressReleaseDisplay.aspx?prid=53864)

### **Bank finance to Government owned entities India (June 14, 2022)**

Banks/ FIs have also been found to have violated Reserve Bank of India's instructions which inter alia require that in case of projects undertaken by government owned entities, term loans should be sanctioned only for corporate bodies; due diligence should be carried out on viability and bankability of the projects to ensure that revenue stream from the project is sufficient to take care of the debt servicing obligations; and that the repayment/ servicing of debt is not from budgetary resources. Banks are advised to carry out a review and place before their Boards, a comprehensive report on the status of compliance with the instructions within three months from the date of this circular.

*For details:*

<https://www.rbi.org.in/Scripts/NotificationUser.aspx?Id=12339&Mode=0>

### **India, Russia apex banks to work on payment system this week (June 15, 2022)**

Officials of the Reserve Bank of India and the Bank of Russia are set to meet this week to give the finishing touches to a bilateral payment system to ensure smooth trade flows between the two nations without violating global sanctions. Russia faces increasingly tighter sanctions after having invaded Ukraine at the end of February.

*For details:*

<https://economictimes.indiatimes.com/news/economy/finance/india-russia-apex-banks-to-work-on-payment-system-thisweek/articleshow/92215361.cms>

### **Sovereign Gold Bond (SGB) Scheme 2022-23 (June 16, 2022)**

Government of India, vide its notification No F.No4.(6)-B (W&M)/2022 dated June 15, 2022, has announced Series I and II of Sovereign Gold Bond Scheme 2022-23. Under the Scheme, there will be a distinct series (Series I and II) for every tranche. Subscription for the Bonds may be made in the prescribed application form or in any other form as near as thereto, stating clearly the grams (in units) of gold and the full name and address of the applicant.

*For details:*

<https://www.rbi.org.in/Scripts/NotificationUser.aspx?Id=12340&Mode=0>

### **Processing of e-mandates for recurring transactions (June 16, 2022)**

The e-mandate framework prescribed an Additional Factor of Authentication (AFA), inter alia, while processing the first transaction in case of e-mandates / standing instructions on cards, prepaid payment instruments and Unified Payments Interface. For subsequent transactions with transaction values up to `5,000/- (AFA limit), prescription of AFA was waived. On a review of implementation of the e-mandate framework and the protection available to customers, it has been decided to increase the aforesaid AFA limit from `5,000/- to `15,000/- per transaction.

*For details:*

<https://www.rbi.org.in/Scripts/NotificationUser.aspx?Id=12341&Mode=0>

### **Reserve Bank of India lifts the business restrictions imposed on Mastercard Asia / Pacific Pte. Ltd. (June 16, 2022)**

Reserve Bank of India (RBI) had, by order dated July 14, 2021, imposed restrictions on Mastercard Asia / Pacific Pte. Ltd. from on-boarding new domestic customers (debit, credit or prepaid) onto its card network from July 22, 2021 for non-compliance with the RBI circular dated April 06, 2018 on Storage of Payment System Data. In view of the satisfactory compliance demonstrated by Mastercard Asia / Pacific Pte. Ltd. with the RBI circular dated April 06, 2018 on Storage of Payment System Data, the restrictions imposed, vide order dated July 14, 2021, on on-boarding of new domestic customers have been lifted with immediate effect.

*For details:*

[https://www.rbi.org.in/Scripts/BS\\_PressReleaseDisplay.aspx?prid=53877](https://www.rbi.org.in/Scripts/BS_PressReleaseDisplay.aspx?prid=53877)

**FE Modern BFSI Summit: Core functions of financial sector undergoing transformation, says Shaktikanta Das (June 17, 2022)**

The impact of covid-19 pandemic, ongoing geopolitical crisis, and all pervasive technological innovations sweeping across economies are challenging the traditional financial intermediation processes like banks, NBFCs and housing finance companies, said Reserve Bank of India Governor Shaktikanta Das in his inaugural address at the FE Modern BFSI Summit on June 17, 2022.

*For details:*

<https://www.financialexpress.com/industry/banking-finance/fe-modern-bfsi-summit-core-functions-of-financial-sector-undergoing-transformation-says-shaktikanta-das/2563847/>

**RBI aims to establish India as a powerhouse of digital payments globally (June 19, 2022)**

The Reserve Bank of India (RBI) on June 17, 2022 came out with its 'Payments Vision 2025' document which also talks about ring-fencing of domestic payment systems, including the need to mandate domestic processing of payment transactions, in view of the emerging geopolitical risks. The core theme of the vision documents is 'E-Payments for Everyone, Everywhere, Everytime' (4Es), with an overall objective to provide every user with safe, secure, fast, convenient, accessible, and affordable e-payment options. For details: <https://www.livemint.com/industry/banking/rbis-payments-vision-2025-aims-to-establish-india-as-powerhouse-of-payments-globally-say-experts-11655633959504.html> Indian banks may join hands with Russia lenders not hit by sanctions (June 20, 2022) Indian banks including Canara Bank, Bank of Maharashtra and UCO Bank are likely to join hands with Russian banks that are not under Western sanctions to facilitate bilateral payments, said people familiar with the matter. These Indian banks will likely open accounts at their Russian counterparts and vice versa, as decided last week in meetings held in New Delhi to ensure smooth trade flows without violating the economic sanctions on Russia over the Ukraine war. The Reserve Bank of India is expected to come out with an operational circular, paving the way for this. Such accounts, held by one bank in another in a foreign country are known as Loro, Vostro and Nostro.

*For details:*

<https://economictimes.indiatimes.com/industry/banking/finance/banking/indianbanks-may-join-hands-with-russia-lenders-not-hit-by-sanctions/articleshow/92324935.cms>

**Apollo Global has a rethink on ARC JV with ICICI Bank, 'Looking to Exit' (June 21, 2022)**

US-based private equity giant Apollo Global Management is rethinking its asset reconstruction company (ARC) joint venture with ICICI Bank after it failed to take off due to intense competition in the distressed debt space and as it explores new avenues to invest in the space like through an Alternative Investment Fund (AIF).

*For details:*

<https://economictimes.indiatimes.com/industry/banking/finance/banking/apollo-global-has-a-rethink-on-arc-jv-with-icici-bank-looking-to-exit/articleshow/92346124.cms>

### **Extension of timeline for implementation of certain provisions of Master Direction - Credit Card and Debit Card - Issuance and Conduct Directions, 2022 (June 21, 2022)**

Considering various representations received from the industry stakeholders, it has been decided to extend the timeline for implementation of few provisions of the Master Direction to October 01, 2022. The Card-issuers shall seek One Time Password (OTP) based consent from the cardholder for activating a credit card if the same has not been activated by the customer for more than 30 days from the date of issuance. If no consent is received for activating the card, card-issuers shall close the credit card account without any cost to the customer within seven working days from date of seeking confirmation from the customer. Card-issuers shall ensure that the credit limit as sanctioned and advised to the cardholder is not breached at any point in time without seeking explicit consent from the cardholder. No capitalization of unpaid charges/levies/taxes for charging/ compounding of interest.

*For details:*

<https://www.rbi.org.in/Scripts/NotificationUser.aspx?Id=12342&Mode=0>

### **HDFC Bank to shift payments from core banking, ensure minimal downtime (June 21, 2022)**

The country's largest private lender HDFC Bank is planning to facilitate a shift in its payments module from the existing core banking platform. This would ensure minimal payments downtime, even if core banking is not available. "This 15-month project will be followed by hollowing the customer-master modules from its existing core systems. It will ensure a single system of record for customers across various products," said Sashidhar Jagdishan, Managing Director (MD) & Chief Executive Officer (CEO), in the annual report for 2021-22.

*For details:*

[https://www.business-standard.com/article/finance/hdfc-bank-to-shift-payments-from-core-banking-ensure-minimal-downtime-122062101233\\_1.html](https://www.business-standard.com/article/finance/hdfc-bank-to-shift-payments-from-core-banking-ensure-minimal-downtime-122062101233_1.html)

### **Proposed digital lending norms may aid penetration in BNPL lending (June 22, 2022)**

Fintech players are expecting some disruptions to be caused by the norms proposed by the Reserve Bank of India (RBI) on Buy Now Pay Later (BNPL) ecosystem. However, by providing transparency to the largely unregulated sector, fintech players also expect the norms to provide muchneeded clarity, to enable stakeholders to bring in innovation and penetration. Banks, Non-Banking Finance Companies (NBFC) and fintech companies are developing BNPL products aimed at those who do not have a credit history or access to credit cards.

*For details:*

<https://www.financialexpress.com/industry/banking-finance/proposed-digital-lending-norms-may-aid-penetration-in-bnpl-lending/2569019/>

### **Minutes of the Monetary Policy Committee Meeting, June 6 to 8, 2022 (June 22, 2022)**

The thirty sixth meeting of the Monetary Policy Committee (MPC), was held during June 6 to 8, 2022. The Reserve Bank has published the minutes of the proceedings of the meeting. On the basis of an assessment of the current and evolving macroeconomic situation, the Monetary Policy Committee (MPC) at its meeting decided to: Increase the policy repo rate under the Liquidity Adjustment Facility (LAF) by 50 basis points to 4.90 per cent with immediate effect. Consequently, the Standing Deposit Facility (SDF) rate stands adjusted to 4.65 per cent and the Marginal Standing Facility (MSF) rate and the Bank Rate to 5.15 per cent. The MPC also decided to remain focused on withdrawal of accommodation to ensure that inflation remains within the target going forward, while supporting growth.

*For details:*

[https://www.rbi.org.in/Scripts/BS\\_PressReleaseDisplay.aspx?prid=53904](https://www.rbi.org.in/Scripts/BS_PressReleaseDisplay.aspx?prid=53904)

### **RBI taps top banks including HDFC, ICICI, SBI for blockchain-based trade financing project (June 23, 2022)**

HDFC bank, ICICI Bank and State Bank of India are among nearly a dozen top lenders the central bank is engaging with to run a blockchain-based pilot project centred on trade financing. The pilot project, called 'proof of concept' in industry parlance, will harness blockchain technology where 'blocks' of transaction data are stored in 'chains' with peer-to-peer access to enhance traceability of money flow.

*For details:*

<https://economictimes.indiatimes.com/industry/banking/finance/banking/rbi-taps-topbanks-including-hdfc-icici-sbi-for-blockchain-based-trade-financingproject/articleshow/92401864.cms>

### **Draft Master Direction on Outsourcing of Information Technology (IT) Services (June 23, 2022)**

Regulated Entities (REs) have been extensively leveraging Information Technology (IT) and IT-enabled services (ITeS) in their business, products and services with increasing dependence on third parties. It was announced in the Statement on Developmental and Regulatory Policies, released with the bi-monthly Monetary Policy Statement dated February 10, 2022, that draft guidelines on risk management framework for Outsourcing of IT Services, managing related concentration risk, its periodic risk assessment and aspects of outsourcing of IT Services to foreign service providers, will be issued by the Reserve Bank of India. Accordingly, the Reserve Bank has released a draft Master Direction on Outsourcing of IT Services, for comments of stakeholders and members of public. Comments / feedback from REs and other stakeholders may be submitted by July 22, 2022 through email ([mditocomments@rbi.org.in](mailto:mditocomments@rbi.org.in)) with the subject line 'Feedback on Master Direction on Outsourcing of IT Services'.

*For details:*

[https://rbi.org.in/Scripts/BS\\_PressReleaseDisplay.aspx?prid=53911](https://rbi.org.in/Scripts/BS_PressReleaseDisplay.aspx?prid=53911)

**Reserve Bank of India appoints Shri Venkat Nageswar Chalasani as a member in the Advisory Committee of Srei Infrastructure Finance Limited (SIFL) and Srei Equipment Finance Limited (SEFL) Services (June 23, 2022)**

Reserve Bank of India, vide its press release dated October 11, 2021, had constituted an Advisory Committee to advise the Administrator in the operations of the financial service providers during the corporate insolvency resolution process. Consequent upon resignation of Shri R. Subramaniakumar from the Advisory Committee with effect from June 22, 2022, it has been decided to appoint Shri Venkat Nageswar Chalasani as a member of the Advisory Committee with immediate effect.

*For details:*

[https://rbi.org.in/Scripts/BS\\_PressReleaseDisplay.aspx?prid=53910](https://rbi.org.in/Scripts/BS_PressReleaseDisplay.aspx?prid=53910)

**Fintechs seek six months to comply with RBI credit rule (June 24, 2022)**

In a meeting on June 23, 2022, fintech firms decided to seek an extension of at least six months for the Reserve Bank of India's latest mandate, which has sent credit card challengers and other card-based fintech companies into a tizzy. The timeline extension request was discussed and finalised at the latest meeting, which was attended by representatives of credit card challenger firms Slice and Uni Cards, among others.

*For details:*

<https://economictimes.indiatimes.com/tech/technology/fintech-firms-want-six-monthextension-to-comply-with-new-rbi-mandate/articleshow/92419598.cms>

**Banking frauds of over Rs. 100 crore see significant decline in FY'22 (July 03, 2022)**

Frauds in the banking sector involving sums of over Rs. 100 crore have declined significantly, with banks reporting cases worth Rs. 41,000 crore in 2021-22 compared to Rs. 1.05 lakh crore in the previous year. According to official data, the number of fraud cases in private as well as public sector banks dropped to 118 in FY22 from 265 in 2020-21.

*For details:*

<https://www.financialexpress.com/industry/banking-finance/banking-frauds-of-over-rs-100-cr-see-significant-decline-in-fy22/2580901/>

**Proposed HDFC-Bank merger receives stock exchanges' clearance (July 04, 2022)**

The proposed merger of HDFC Bank and its parent firm HDFC is another step closer to its amalgamation as the proposal has been accepted by stock exchanges National Stock Exchange and Bombay Stock Exchange, while noting that they have "no objection". However, the amalgamation scheme remains subject to various statutory and regulatory approvals, including approvals from the Competition Commission of India, Reserve Bank of India, the National Company Law Tribunal and the respective shareholders and creditors of the companies.

*For details:*

<https://economictimes.indiatimes.com/industry/banking/finance/banking/proposed-hdfc-bank-merger-receives-stock-exchanges-clearance/articleshow/92642780.cms>



### **HDFC merger gets RBI nod (July 05, 2022)**

HDFC Bank on July 04, 2022 said the Reserve Bank of India (RBI) has approved its amalgamation with Housing Development Finance Corporation (HDFC). Once all approvals are in place, HDFC Bank will become a 100% publicly owned institution, with HDFC's 21% promoter holding getting extinguished. Sashidhar Jagdishan, who became MD & CEO of HDFC Bank in October, 2020 will lead the merged entity. The merger would be the largest in Indian corporate history, creating a financial behemoth with a \$169-billion market capitalisation (the second-largest in India) and will be among the 10 most valued banks in the world. Shareholders of HDFC will receive 42 shares of HDFC Bank for 25 shares of HDFC.

*For details:*

<https://www.financialexpress.com/industry/banking-finance/hdfc-merger-gets-rbi-nod/2582887/>

### **GST lens on bank arms using parent's brand name, log or tagline (July 07, 2022)**

Some top financial institutions have come under the taxman's lens for Goods and Services Tax (GST) on royalty from subsidiaries for use of the parent's brand name, logo, or tagline. The tax department has told the banks in recent meetings that if a mutual fund unit uses any brand components, it should pay royalty or similar fees to the parent and 18% GST has to be paid on that amount, said people with knowledge of the matter.

*For details:*

<https://economictimes.indiatimes.com/industry/banking/finance/banking/gst-lens-onbank-arms-using-parents-brand-name-log-or-tagline/articleshow/92710892.cms>

### **Reserve Bank holds 32nd Conference of State Finance Secretaries (July 07, 2022)**

The 32nd Conference of the State Finance Secretaries (SFS) was held in Mumbai on July 7, 2022. The Conference was attended by the officials from the Ministry of Finance, Government of India, Controller General of Accounts, Comptroller and Auditor General of India and the Finance Secretaries of 24 States and one Union Territory. Governor, Reserve Bank of India inaugurated the Conference. Addressing the Conference, the Governor highlighted the importance of the SFS Conference as an effective platform to deliberate on, and find out effective ways to address various issues relating to states' debt and cash management.

*For details:*

[https://www.rbi.org.in/Scripts/BS\\_PressReleaseDisplay.aspx?prid=53992](https://www.rbi.org.in/Scripts/BS_PressReleaseDisplay.aspx?prid=53992)

### **RBI Working Paper No. 08/2022: Towards Atma Nirbhar Bharat: An Exploration of Linkages and Leakages & RBI Working Paper No. 09/2022: Banks' Credit and Investment Dynamics: Assessing Portfolio Rebalancing and Crowding-out (July 07, 2022)**

The Reserve Bank of India placed on its website a Working Paper titled "Towards Atma Nirbhar Bharat: An Exploration of Linkages and Leakages" & "Banks' Credit and Investment Dynamics: Assessing Portfolio Rebalancing and Crowding-out" under the Reserve Bank of India Working Paper Series.

*For details:*

[https://www.rbi.org.in/Scripts/BS\\_PressReleaseDisplay.aspx?prid=53991](https://www.rbi.org.in/Scripts/BS_PressReleaseDisplay.aspx?prid=53991)

&

[https://www.rbi.org.in/Scripts/BS\\_PressReleaseDisplay.aspx?prid=53990](https://www.rbi.org.in/Scripts/BS_PressReleaseDisplay.aspx?prid=53990)



### **Razorpay, Pine Labs get nod from RBI for payment aggregator licence (July 08, 2022)**

Online payment providers including Razorpay, and Pine Labs are among the top names which have received the in-principle nod from the Reserve Bank of India (RBI) on July 07, 2022 for a payment aggregator license.

*For details:*

<https://economictimes.indiatimes.com/tech/technology/razorpay-pine-labs-get-nodfrom-rbi-for-payment-aggregator-licence/articleshow/92738799.cms>

### **Banks working with CEIB on data sharing to curb frauds (July 08, 2022)**

Lenders are working with the Central Economic Intelligence Bureau (CEIB) and other law enforcement agencies to set up a more robust intelligence-sharing framework, a move seen helping reduce frauds in the banking sector.

*For details:*

<https://economictimes.indiatimes.com/industry/banking/finance/banking/banksworking-with-ceib-on-data-sharing-to-curb-frauds/articleshow/92733262.cms>

### **RBI approves appointment of Meena Hemchandra as part-time Chairman of Karur Vysya Bank (July 12, 2022)**

Private sector lender Karur Vysya Bank on July 12, 2022 said the Reserve Bank of India (RBI) has approved the appointment of former RBI executive Meena Hemchandra as part-time Chairman of the bank for three years. She is a career banker with over 35 years of banking experience in various departments of the RBI.

*For details:*

<https://www.financialexpress.com/industry/banking-finance/rbi-approves-appointment-of-meena-hemchandra-as-part-time-chairman-of-karur-vysya-bank/2591465/>

### **RBI meets bank executives to get market pulse (July 12, 2022)**

The Reserve Bank of India met treasury managers and senior executives of large banks on July 12, 2022 to get the pulse of the market as the rupee plunged to a new low and investors turned cautious on buying more government bonds after rising yields inflicted losses on them. This comes amid a falling rupee, which has triggered a slew of regulatory actions aimed at bringing back overseas inflows and cutting import-related dollar payments.

*For details:*

<https://economictimes.indiatimes.com/industry/banking/finance/banking/rbi-meets-bank-executives-to-getmarket-pulse/articleshow/92835435.cms>

### **NPCI says user consent must for UPIs capturing location data (July 12, 2022)**

The National Payments Corporation of India (NPCI) has directed that all Unified Payments Interface (UPI)-based applications while capturing their location or geographic coordinates, must take prior consent from the customers. In a circular, the corporation said if the customer has already given consent to share the location initially while availing of the services and subsequently wants to revoke the consent, the provisions for the same must be available without any denial.

*For details:*

*<https://economictimes.indiatimes.com/industry/banking/finance/npci-says-user-consent-must-for-upis-capturing-location-data/articleshow/92825947.cms>*

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# Competition Law

## Info Capsule Series 12

### **CCI approves merger by absorption of Covidshield Technologies into Biocon Biologics (May 19, 2022)**

The Competition Commission of India (CCI) approves merger by absorption of Covidshield Technologies into Biocon Biologics in consideration for acquisition of approximately 15% equity shareholding of Biocon Biologics by Serum Institute Life Sciences. The Proposed Combination involves merger by absorption of Covidshield Technologies Private Limited (CTPL), a wholly owned subsidiary of the Serum Institute Life Sciences Private Limited (Acquirer) into the Biocon Biologics Limited (Target) pursuant to a scheme of merger in consideration of which the Acquirer will acquire approximately 15% equity shareholding on a fully diluted basis in the Target. The Acquirer is a subsidiary of Serum Institute of India Private Limited and was established as a company for further development and commercialization of vaccines and therapies against COVID-19. It also had plans to further develop vaccines against other infectious diseases. At present, the Acquirer is in the process of setting up its own manufacturing facility.

*For details:*

<https://pib.gov.in/PressReleaselframePage.aspx?PRID=1826596>

### **CCI issues cease and desist order against Amateur Baseball Federation of India for abusing its dominant position (June 03, 2022)**

The Competition Commission of India (CCI) passed an order under the provisions of Section 27 of the Competition Act, 2002 ('Act') against Amateur Baseball Federation of India (ABFI), finding it to be in violation of the provisions of Section 4 of the Act, which prescribe abuse of dominance.

The case was initiated on the basis of Information filed by the Confederation of Professional Baseball Softball Clubs (CPBSC) under Section 19(1)(a) of the Act, against ABFI alleging inter alia contravention of the provisions of Section 4 of the Act. As per information, ABFI by way of communications dated 07.01.2021 sent to its affiliated State Baseball Associations requested them not to entertain unrecognized bodies and not allow state level players to participate in any of the tournaments organised by them.

The Commission found ABFI to be in a dominant position in the relevant market of organization of baseball leagues/events/ tournaments in India and further ABFI by issuing communication dated 07.01.2021 to its affiliated State Baseball Associations, was found to have contravened the provisions of Sections (4)(2)(a)(i), 4(2)(b)(i), and 4(2)(c) of the Act. In this backdrop, the Commission issued a cease and desist order against ABFI, however, the CCI refrained from imposing any monetary penalty considering ABFI has already withdrawn the impugned letter.

*For details:*

<https://www.pib.gov.in/PressReleasePage.aspx?PRID=1830815>

### **NCLAT rejects Amazon plea against CCI order, directs to pay Rs. 201 cr (June 14, 2022)**

The National Company Law Appellate Tribunal (NCLAT) on June 13, 2022 turned down Amazon. com's plea that challenged antitrust body Competition Commission of India's (CCI's) order striking down its 2019 deal with the Future group. It was for suppressing information while seeking regulatory approval. The deal involves a Rs. 1,431-crore investment by the US major to purchase a 49 per cent stake in Kishore Biyani-led Future Coupons Pvt Ltd (FCPL) in 2019. The Tribunal has upheld views of the CCI that Amazon had misled the antitrust regulator to believe – through false statements and material omissions – that the combination and its purpose were in the interest of Amazon in the business of FCPL.

*For details:*

[https://www.business-standard.com/article/companies/nclat-rejects-amazon-plea-againstcci-suspension-order-to-pay-rs-201-cr-122061301058\\_1.html](https://www.business-standard.com/article/companies/nclat-rejects-amazon-plea-againstcci-suspension-order-to-pay-rs-201-cr-122061301058_1.html)

**CCI approves proposed combination involving Google International LLC and Bharti Airtel Limited (June 30, 2022)**

Google International LLC (Acquirer) is a wholly owned subsidiary of Google LLC, (collectively with all Google LLC subsidiaries, “Google”). Google LLC is a Delaware limited liability company and wholly owned subsidiary of Alphabet Inc. The Acquirer is a holding company and does not own / operate any of Google’s products/ services. Google, however, offers various products and services, including its flagship search service, its Android operating system, and its Play app store. Bharti Airtel Limited (BAL/ Target), headquartered in India, is an international communications solutions provider with over 480 million customers in 17 countries across South Asia and Africa. BAL’s retail portfolio includes, amongst others, high speed mobile broadband, Airtel Xstream Fiber, streaming services (music and video), digital payments and financial services. For enterprise customers, BAL offers solutions including secure connectivity, cloud and data centre services, cyber security, IoT, advertising services, and cloud-based communication. The Acquirer and Target have executed an Investment Agreement (IA) per which the Acquirer proposes to acquire a minority and non-controlling stake of 1.28% of equity share capital in the Target. Along with the IA, the Acquirer and the Target through their affiliates have also entered into certain commercial deals. The Parties also intend to enter into certain other commercial arrangements in future. The Commission approved the proposed combination on the basis of modifications offered by the Acquirer.

*For details:*

<https://www.cci.gov.in/media-gallery/press-release/details/220/0>

**CCI approves acquisition of Solenergi Power Private Limited (Target) by Shell Overseas Investments B.V.’s (Acquirer) from Actis Solenergi Limited under Section 31(1) of the Competition Act, 2002(July 11, 2022)**

The proposed combination pertains to acquisition of 100% shareholding and sole control of the Target by the Acquirer. Acquirer is a company incorporated in the Netherlands and is a part of the Shell group. It is a holding company. Shell Plc is the ultimate holding company and directly and indirectly owns investments in various companies (Shell Group). Shell Plc’s shares are listed on the London Stock Exchange, Euronext Amsterdam and the New York Stock Exchange. The Shell Group is a global group of energy and petrochemical companies with 83,000 employees in more than 70 countries. Target is an investment company incorporated in Mauritius, belonging to the Actis group. It currently has investments in the renewable energy sector in India.

*For details:*

<https://www.cci.gov.in/media-gallery/press-release/details/222/0>

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# International Business

## News

### Info Capsule Series 12

#### **India's GDP may grow 7.5-8% in FY23 on enhanced exports: CII President (April 25, 2022)**

India's economy is expected to grow 7.5-8 per cent this fiscal year with exports playing a key role in the country's success story, CII President TV Narendran said on April 25, 2022. However, he said the country needs to remain prepared for any fallout of next wave of COVID-19 pandemic, and the impact of the ongoing Russia-Ukraine war.

*For details:*

[https://www.business-standard.com/article/economy-policy/india-s-gdp-may-grow-7-5-8-in-fy23-on-enhanced-exports-cii-president-122042500664\\_1.html](https://www.business-standard.com/article/economy-policy/india-s-gdp-may-grow-7-5-8-in-fy23-on-enhanced-exports-cii-president-122042500664_1.html)

#### **India's Pharma exports rise to Rs 1.83 lakh crore in 2021-22 (May 01, 2022)**

Pharma exports have touched Rs 1,83,422 crore in 2021-22 against Rs 90,415 crore in 2013-14, the commerce ministry said on Sunday, May 01, 2022. India's pharma exports in 2021-22 sustained a positive growth despite the global trade disruptions and drop in demand for COVID related medicines, it added.

*For details:*

<https://www.moneycontrol.com/news/business/economy/indias-pharma-exports-rise-to-rs-1-83-lakh-crore-in-2021-22-8437561.html>

### **Visics ATG India opens its first international office in Chennai (May 03, 2022).**

Visics ATG India Private Limited a part of Access Technology Group, a Dutch company specialising in industrial safety solutions for turnarounds, inaugurated its first international office in Chennai on Tuesday, May 03, 2022. The new international office at Karapakkam that spreads across 5,500 sq.ft. is funded by the Dutch government, according to a press release.

*For details:*

<https://timesofindia.indiatimes.com/business/india-business/visics-atg-india-opens-its-first-international-office-in-chennai/articleshow/91288808.cms>

### **India Seeks More Discounts in Its Russian Oil Imports At Less Than \$70 Per Barrel: Reports (May 04, 2022)**

As India continues to purchase crude oil from Russia at steep discounts offered by Moscow in the grip of punitive sanctions on the Vladimir Putin-led nation, recent reports suggest that New Delhi is seeking to obtain deeper concessions on Russian oil. India is seeking to buy oil cargoes at less than USD 70 per barrel.

*For details:*

<https://www.republicworld.com/business-news/international-business/india-seeks-more-discounts-in-its-russian-oil-imports-at-less-than-70-dollars-per-barrel-reports-articleshow.html>

### **Oman eyes PTA with India; to boost India's trade ties with Gulf after UAE CEPA (May 09, 2022)**

Qais Mohamed Al Yousef Oman's Minister of Commerce & Industry & Investment Promotion will visit India this week eyeing to push the Preferential Trade Agreement (PTA) close on the heels of India-UAE CEPA (Comprehensive Economic Partnership Agreement) opening up opportunities for India in the resource rich Gulf region.

*For details:*

<https://economictimes.indiatimes.com/news/economy/foreign-trade/oman-eyes-pta-withindia-to-boost-indias-trade-ties-with-gulf-after-uae-cepa/articleshow/91450700.cms>

### **Excise duty cut to help reduce logistics cost; promote exports: Exporters (May 22, 2022)**

The government on Saturday, May 21, 2022 announced reduction in excise duty on petrol by a record Rs 8 per litre and that on diesel by Rs 6 per litre. It also cut import duty on raw material of steel and plastic and increased export duty on iron ore and steel intermediates. Excise duty cut on petrol and diesel and rationalisation of customs duties on goods such as raw material for plastic and steel will help reduce logistics cost, promote competitiveness of manufacturing and exports of value-added goods, exporters said on Sunday, May 22, 2022.

*For details:*

<https://economictimes.indiatimes.com/news/economy/foreigntrade/excise-duty-cut-to-help-reduce-logistics-cost-promote-exports-exporters/articleshow/91726700.cms>



### **NIRYAT portal for Import-Export data to be launched (June 22, 2022)**

The NIRYAT (National Import-Export Record for Yearly Analysis of Trade) portal will be launched by Prime Minister Modi today, June 23, 2022. This portal will serve as one stop platform for stakeholders to get all necessary information related to India's foreign trade.

*For details:*

<https://knnindia.co.in/news/newsdetails/sectors/niryat-portal-for-import-export-data-to-be-launched-on-june-23>

### **PM Modi exhorts exporters to set long-term export targets (June 23, 2022)**

Prime Minister Narendra Modi on Thursday, June 23, 2022 appealed to exporters and the industry to fix long-term export targets for themselves and suggest ways to the government to achieve those goals. Inaugurating the new Vanijya Bhawan, he said that exports play a critical role in transition of a country from developing to developed status.

*For details:*

<https://timesofindia.indiatimes.com/business/india-business/pm-modi-exhorts-exportersto-achieve-long-term-export-targets/articleshow/92405091.cms>

### **India aims to dominate Global Market in all Industries, says Piyush Goyal (June 26, 2022)**

India is one of the fastest-growing economies in the world and it is expected to reach \$30 trillion in the coming 30 years, Commerce and Industry Minister Piyush Goyal said on June 26, 2022. The domestic textile industry, according to the minister of textiles, trade, and industry, has enormous potential to create jobs in the years to come.

*For details:*

<https://www.ndtv.com/business/india-aims-to-dominate-global-market-in-all-industriessays-piyush-goyal-3100570>

### **India's coffee exports rise by 19% between Jan-June this year (June 30, 2022)**

Coffee shipments from India, Asia's third-largest producer and exporter, rose 19 per cent to 2,24,293 tonne in the first half of the current calendar year, according to Coffee Board. The country had exported 1,88,736 tonnes in the year-ago period. India ships both robusta and Arabica varieties, besides instant coffee.

*For details:*

<https://www.businesstoday.in/commodities/story/indias-coffee-exports-rise-by-19-betweenjan-june-this-year-339877-2022-06-30>

### **Focus on districts as export hubs (July 04, 2022)**

The districts as export hubs scheme will be part of the new five-year foreign trade policy (FTP), which is likely to be released before September. The district scheme is also aimed at job creation, a commerce ministry official said. The directorate general of foreign trade (DGFT), the commerce ministry's arm which is formulating the policy, will soon send the proposal to the finance ministry for seeking funds for the scheme. Under the scheme, the aim is to initially focus on 50 districts, which have products that are scalable and hold huge export potential, the official said.

*For details:*

<https://www.telegraphindia.com/business/focus-on-districts-as-export-hubs/cid/1873022>

### **Amazon faces investigation by UK's watchdog over anti-competitive concerns (July 7, 2022)**

Britain's competition watchdog is investigating whether Amazon is harming competition and hurting consumers by giving an unfair advantage to merchants that pay for extra services. The Competition and Markets Authority's formal investigation said Wednesday that it will look into concerns that the ecommerce giant is abusing its dominance to undermine rivals, echoing similar investigations carried out by the European Union's executive Commission and Germany's antitrust agency.

Amazon said it will work closely with the CMA during the investigation. We believe we've always worked hard to help small businesses selling on Amazon to succeed, which is in both their and our best interests," the company said. We remain proud of the continued support we provide to businesses of all sizes across the U.K."

While Amazon supplies some of the products that it sells online, many others are from third-party merchants and retailers, and provides them with essential services to make sales.

The Markets Authority said it will consider whether Amazon gives an unfair edge to merchants using optional services that cost extra, including storage, packaging and delivery.

*For details:*

[https://www.business-standard.com/article/pti-stories/amazon-faces-uk-investigation-over-anti-competitive-concerns-122070600898\\_1.html](https://www.business-standard.com/article/pti-stories/amazon-faces-uk-investigation-over-anti-competitive-concerns-122070600898_1.html)

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# Business and Economic News

## Info Capsule Series 12

### **Indonesia ban on palm oil exports starting April 28 rattles Indian markets (April 22, 2022)**

Indonesia, which is the world's largest producer of palm oil and meets nearly 45 per cent of the total palm oil supplied into India annually, has decided to ban exports from April 28 till further notice. The exports as per media reports has been halted to check soaring domestic prices of palm oil which has created a scenario of unrest in the country.

*For details:*

[https://www.business-standard.com/article/economy-policy/indonesia-ban-on-palm-oil-exports-starting-april-28-rattles-indian-markets-122042201291\\_1.html](https://www.business-standard.com/article/economy-policy/indonesia-ban-on-palm-oil-exports-starting-april-28-rattles-indian-markets-122042201291_1.html)

### **Adani acquires India's largest marine services company Ocean Sparkle (April 22, 2022)**

Adani group has acquired India's largest marine services company, Ocean Sparkle Ltd. Adani Ports and Special Economic Zone Ltd (APSEZ) through its subsidiary, the Adani Harbour Services Ltd, has entered into a definitive agreement for the acquisition of a 100 per cent stake in Ocean Sparkle Ltd. This acquisition not only provides APSEZ a significant share of India's marine services market but also provides us a platform for building presence in other countries, thereby facilitating APSEZ's journey towards becoming the largest port operator globally by 2030 and largest integrated transport utility in India

*For details:*

<https://www.indiatoday.in/business/story/adani-acquires-india-s-largest-marine-services-company-ocean-sparkle-1940478-2022-04-22>

### **Reliance calls off deal with Future after secured creditors reject it (April 23, 2022)**

Reliance Industries told BSE its agreement to buy Future Retail for almost Rs. 25,000 crore cannot be implemented after lenders to the retail company rejected the deal. Reliance said in a regulatory filing Future Group companies comprising Future Retail Limited (FRL) and other listed companies involved in the scheme have intimated the results of the voting on the scheme of arrangement by their shareholders and creditors at their respective meetings. Majority shareholders and unsecured creditors of Future Retail, Future Lifestyle Fashions, and other group firms have voted in favour of the scheme of amalgamation with Reliance Retail.

*For details:*

[https://www.business-standard.com/article/companies/reliance-calls-off-deal-with-future-after-secured-creditors-reject-it-122042300571\\_1.html](https://www.business-standard.com/article/companies/reliance-calls-off-deal-with-future-after-secured-creditors-reject-it-122042300571_1.html)

### **Twitter confirms sale of company to Elon Musk for \$44 billion (April 26, 2022)**

Twitter confirmed the sale of company to billionaire Elon Musk for \$44 billion. The outspoken Tesla CEO, the world's wealthiest person, has said he wants to buy Twitter because he thinks it's not living up to its potential as a platform for "free speech." He says it needs to be transformed as a private company in order to build trust with users and do better at serving what he calls the "societal imperative" of free speech.

*For details:*

<https://www.indiatvnews.com/business/news/twitter-sold-to-elon-musk-for-44-billion-deal-with-tesla-ceo-final-2022-04-26-772174>

### **Paytm brings on board Srinivas Yanamandra as regulatory head (April 26, 2022)**

Fintech major Paytm has appointed Srinivas Yanamandra as its Group Head - Regulatory affairs and Policy. He has over 20 years of experience in building compliance systems and processes at large and fast growing businesses. Yanamandra's last stint was New Development Bank in Shanghai, where he served as chief of the compliance division. Prior to that, he worked as a compliance professional – both at ICICI Bank and IDFC First Bank in Mumbai – focusing on various aspects of banking regulation including governance, risk management, prudential reporting, riskbased supervision, digital banking, and more.

*For details:*

[https://www.business-standard.com/article/companies/paytm-brings-on-board-srinivas-yanamandra-as-regulatory-head-122042600073\\_1.html](https://www.business-standard.com/article/companies/paytm-brings-on-board-srinivas-yanamandra-as-regulatory-head-122042600073_1.html)

### **Bar of voting on related parties under section 188 of Companies Act, 2013 operates only at the time of entering into contract or arrangement: Supreme Court (April 29, 2022)**

The Supreme Court has upheld an order of Securities Appellate Tribunal holding that the bar of voting as per Section 188 of the Companies Act, 2013 on related parties operates only at the time of entering into a contract or arrangement.

*For details:*

<https://www.livelaw.in/top-stories/supreme-court-sat-voting-related-parties-bar-companies-act-2013-securities-and-exchange-board-of-india-vs-rt-agro-197839>

### **Khadi Exceeds Turnover of Rs 1 lakh crore in 2021-22; Beats all FMCG Companies in India (April 30, 2022)**

Khadi and Village Industries Commission (KVIC) has achieved a height which remains a distant goal for all FMCG companies in India. KVIC has for the first time, clocked a massive turnover of Rs. 1.15 lakh crore, which is unprecedented by any FMCG company in the country. In FY 2021-22, the overall turnover of KVIC stood at a whopping Rs. 1,15,415.22 crore as compared to Rs. 95,741.74 crore in the previous year, i.e. 2020-21.

*For details:*

<https://www.pib.gov.in/PressReleasePage.aspx?PRID=1821521>

### **Adani Wilmar beats HUL to become the largest FMCG Company in India (May 02, 2022)**

Packaged foods major Adani Wilmar Ltd. (AWL) reported Rs. 54,214 crore revenue from operations for FY2021-22, a 46.2 % higher year-on-year (YoY). With this jump in its revenue, from Rs. 37,090 crore in the previous year, the consumer goods company from billionaire Gautam Adani's stable has dislodged Hindustan Unilever (HUL) from the top spot in the local fast moving consumer goods (FMCG) market.

*For details:*

<https://www.businesstoday.in/latest/corporate/story/adani-wilmar-beats-hul-to-become-the-largest-fmcg-company-in-india-332110-2022-05-02>

### **No Vicarious Liability for Cheque Dishonour merely because a person was a Partner or stood guarantor for loan : Supreme Court (May 6, 2022)**

The Supreme Court held that a person cannot be convicted for the offence of dishonour of cheque under Section 138 of the Negotiable Instruments Act, 1881 (NI Act) merely because he was a partner of the firm which had taken the loan or that he stood as a guarantor for such a loan.

Vicarious liability under Section 141 of the NI Act cannot be fastened upon a person merely because the civil liability under the Partnership Act falls upon the partner.

The Partnership Act, 1932 creates civil liability. Further, the guarantor's liability under the Indian Contract Act, 1872 is a civil liability. The appellant may have civil liability and may also be liable under the Recovery of Debts Due to Banks and Financial Institutions Act, 1993 and the Securitisation and Reconstruction of Financial Assets and Enforcement of Security Interest Act, 2002. However, vicarious liability in the criminal law in terms of Section 141 of the NI Act cannot be fastened because of the civil liability.

*For details:*

<https://www.livelaw.in/top-stories/section-138-ni-act-no-vicarious-liability-for-chequedishonour-merely-because-a-person-was-a-partner-or-stood-guarantor-for-loan-supremecourt-198669>

### **India's retail inflation rises to 8-year high of 7.79% in April (May 13, 2022)**

India's retail inflation surged to an eight-year high of 7.79 per cent in April on annual basis. The retail inflation accelerated mainly due to stubbornly high food prices. The retail inflation stayed well above the Reserve Bank of India's (RBI) upper tolerance limit for a fourth consecutive month.

*For details:*

<https://www.indiatoday.in/business/story/india-s-april-retail-inflation-accelerates-to-7-79-1948668-2022-05-12>

### **Rajiv Kumar appointed as next Chief Election Commissioner, to take charge on May 15 (May 13, 2022)**

The Union Ministry of Law and Justice on May 12, 2022 announced Rajiv Kumar, the current Election Commissioner, will take over as the next Chief Election Commissioner (CEC) from May 15. Kumar will take charge from CEC Sushil Chandra, who is due to retire. Kumar took charge as the Election Commissioner of the Election Commission of India (ECI) on September 01, 2020. Prior to assuming charge in the Election Commission, Kumar had been the chairman of the Public Enterprises Selection Board. He joined as the PESB chairman in April 2020.

*For details:*

<https://indianexpress.com/article/india/rajiv-kumar-chief-election-commissioner-7913065/>

### **Mere act of invoking pledged shares does not discharge debt, rules SC (May 17, 2022)**

The Supreme Court has held that mere invocation of a pledge by a creditor does not mean that the debt is discharged. "A debt is not discharged till there has been an actual sale of the pledged items," the apex court has ruled. This rule applies even to those creditors registered as beneficial owners as prescribed in Depositories Act, 1996.

*For details:*

[https://www.business-standard.com/article/economy-policy/mere-act-of-invoking-pledged-shares-does-not-discharge-debt-rules-sc-122051601362\\_1.html](https://www.business-standard.com/article/economy-policy/mere-act-of-invoking-pledged-shares-does-not-discharge-debt-rules-sc-122051601362_1.html)

### **Centre-state tie-up can cut fuel taxes: Bajaj (May 17, 2022)**

Central and state governments should collaborate to cut taxes on petrol and diesel in order to moderate inflation, said Sanjiv Bajaj, chairman and managing director of Bajaj Finserv and newly elected president of Confederation of Indian Industry (CII). The appeal to cut taxes on petrol and diesel comes in the context of retail inflation measured by consumer price index (CPI) surging to an eight-year-high in April at 7.79%, led by a surge in food and fuel prices. It raised expectations that the central bank may favour more aggressive rate hikes in June to cool prices.

*For details:*

<https://www.livemint.com/companies/people/centrestate-tie-up-can-cut-fuel-taxes-bajaj11652723673334.html>

### **SEBI to review regulations to meet digital era challenges (May 17, 2022)**

The SEBI is undertaking a complete review of regulations to ensure it is ready to meet the challenges thrown up by the new technologies adopted by market players. The regulator is also seeking the Centre's clearance under the Information Technology Act to intercept and decrypt digital communications. SEBI has set up an internal committee to review regulations, according to a source close to the development. "Technology is changing fast and this has also changed the way the market operates. But some of the regulations are from an earlier era.

*For details:*

<https://www.pressreader.com/>

### **Tata Consumer in acquisition talks with at least five consumer brands (May 18, 2022)**

Tata Consumer Products Ltd., the food and beverage arm of the \$103 billion Indian conglomerate, wants to go on an acquisition spree to bolster its position in the country's competitive consumer goods sector, and is in discussions to buy up to five brands.

*For details:*

[https://www.business-standard.com/article/companies/tata-consumer-in-acquisitiontalks-with-at-least-five-consumer-brands-122051800141\\_1.html](https://www.business-standard.com/article/companies/tata-consumer-in-acquisitiontalks-with-at-least-five-consumer-brands-122051800141_1.html)

### **WPI inflation in April jumps to 15.08%, highest in 17 years; food, fuel prices bite (May 17, 2022)**

Wholesale inflation in the month of April rose to 15.08 per cent in India, highest in at least 17 years, government's latest data showed. "The high rate of inflation in April, 2022 was primarily due to rise in prices of mineral oils, basic metals, crude petroleum & natural gas, food articles, non-food articles, food products and chemicals & chemical products etc. as compared to the corresponding month of the previous year," the Ministry of Commerce and Industry said Tuesday.

WPI(Wholesale Price Index)inflation, which is the highest since at least April 2005, is also higher than analysts expectations of 14.48 per cent, according to a Reuters poll. This is the 13th month in a row for WPI reading to be in double digits. Earlier in March, WPI inflation was at 14.55%.

*For details:*

<https://www.financialexpress.com/economy/wpi-inflation-in-april-jumps-to-15-08-highest-in-17-years-food-fuel-prices-bite/2527601/>

### **Future Enterprises defaults on Rs. 1.06 cr interest payment for NCDs (May 18, 2022)**

Debt-ridden Future Enterprises Ltd (FEL) on May 18, 2022 said it has defaulted on payment of interest of Rs. 1.06 crore for its non-convertible debentures. The due date for payment was May 17, 2022, FEL said in a regulatory filing. Last month, FEL had informed the exchanges about a default of Rs. 2,835.65 crore towards its consortium of banks. Its due date was March 31, 2022. FEL was part of the 19 group companies operating in retail, wholesale, logistics and warehousing segments, which were supposed to be transferred to Reliance Retail as part of Rs. 24,713 crore deal announced in August 2020. The deal was called off by the billionaire Mukesh Ambani-led Reliance Industries Ltd last month.

*For details:*

<https://economictimes.indiatimes.com/industry/services/retail/future-enterprisesdefaults-on-rs-1-06-cr-interest-payment-for-ncds/articleshow/91647398.cms>



### **Amazon accuses Future Retail's independent directors of facilitating fraudulent stratagem (May 23, 2022)**

The feud between Amazon and Future Retail does not seem to find a resolution anytime soon, and in the latest development, Mr. Jeff Bezos-led e-commerce giant has now accused independent directors of Future Retail of facilitating a "fraudulent stratagem" of transfer of 835 stores to Mr. Mukesh Ambani's Reliance Group.

*For details:*

<https://www.livemint.com/companies/news/amazon-accuses-future-retail-s-independentdirectors-of-facilitating-fraudulent-stratagem-11653230249738.html>

### **Future Retail denies Amazon charges of facilitating 'fraudulent stratagem' (May 26, 2022)**

Future Retail Limited (FRL) on May 26, 2022 said it denies all allegations made in the media by Amazon on the Company, where the American e-commerce giant has accused independent directors of FRL of facilitating a "fraudulent stratagem" of transfer of 835 stores to Reliance group.

*For details:*

[https://www.business-standard.com/article/companies/future-retail-denies-amazon-chargesof-facilitating-fraudulent-strategem-122052501555\\_1.html](https://www.business-standard.com/article/companies/future-retail-denies-amazon-chargesof-facilitating-fraudulent-strategem-122052501555_1.html)

### **Co-op societies can now procure goods from public procurement portal GeM (June 02, 2022)**

The Union Cabinet on June 01, 2022 expanded the scope of the public procurement portal Government e-Marketplace (GeM) to allow cooperative societies to register as buyers. The decision is expected to help cooperatives in getting competitive prices through an open and transparent process.

*For details:*

[https://www.business-standard.com/article/economy-policy/co-op-societies-can-now-procure-goods-from-public-procurement-portal-gem-122060200048\\_1.html](https://www.business-standard.com/article/economy-policy/co-op-societies-can-now-procure-goods-from-public-procurement-portal-gem-122060200048_1.html)

### **New Guidelines for Central Sector Scheme "Promotion of MSMEs in North Eastern Region and Sikkim" for enhancing productivity and competitiveness (June 02, 2022)**

The Central Government has approved New Guidelines of Central Sector Scheme "Promotion of MSMEs in North Eastern Region and Sikkim". The scheme will be implemented during 15th Finance Commission Cycle (2021-22 to 2025-26). The Scheme is envisaged to provide financial support for enhancing the productivity and competitiveness as well as capacity building of Micro, Small and Medium Enterprises (MSMEs) in the NER and Sikkim.

*For details:*

<https://pib.gov.in/PressReleaseIframePage.aspx?PRID=1830484>

### **The Government Launched National CSR Exchange Portal to Enhance Efficiency in CSR Spending (June 06, 2022)**

Corporate Social Responsibility (CSR) is mandatory in India by law, under the Companies Act, 2013. The law has brought so many companies under the purview of CSR, making CSR spending more streamlined and formal. As the CSR sector grows more efficient, it is imperative to observe its role in national development and to identify areas that require more attention in order to direct companies with relevant resources and expertise towards the same. With an aim to provide the same to companies, and to aid the implementing agencies in managing their CSR projects effectively, the government of India has launched the National CSR Exchange Portal on June 07, 2022, as part of celebrating Azadi ka Amrit Mahotsav.

*For details:*

<https://thecsrjournal.in/government-national-csr-exchange-portal/>

### **Centre issues 'Guidelines on Prevention of Misleading Advertisements and Endorsements for Misleading Advertisements, 2022' (June 10, 2022)**

The Central Consumer Protection authority (CCPA) under the Department of Consumer Affairs has notified 'Guidelines for Prevention of Misleading Advertisements and Endorsements for Misleading Advertisements, 2022' with an objective to curb misleading advertisements and protect the consumers, who may be exploited or affected by such advertisements. The guidelines seek to ensure that consumers are not being fooled with unsubstantiated claims, exaggerated promises, misinformation and false claims. Such advertisements violates various rights of consumers such as right to be informed, right to choose and right to be safeguarded against potentially unsafe products and services.

*For details:*

<https://www.pib.gov.in/PressReleasePage.aspx?PRID=1832906>

### **Centre directs E-commerce food business operators to submit proposal on improving consumer grievance redressal mechanism within 15 days (June 13, 2022)**

The Department of Consumer Affairs has directed major e-commerce food business operators (FBOs) to furnish the current framework as well as a proposal on improving the consumer grievance redressal mechanism within 15 days. The direction was given during a meeting chaired by Secretary, Department of Consumer Affairs, Shri Rohit Kumar Singh with major e-commerce food business operators, to discuss pertinent issues which affect consumers in this sector.

*For details:*

<https://www.pib.gov.in/PressReleasePage.aspx?PRID=1833570>

### **CCI clears Air India's acquisition of AirAsia India stake, helping merger (June 15, 2022)**

The Competition Commission of India approved Air India's proposed acquisition of Tata group's entire 83.67 per cent stake in AirAsia India. The approval gives a boost to the group's plans of merging the two airlines. At present, the Tata group owns and operates four airlines – Air India, Air India Express, AirAsia India, and Vistara. Air India and Vistara operate on both domestic and international routes. AirAsia India does not fly abroad, while Air India Express operates solely on international routes.

*For details:*

[https://www.business-standard.com/article/companies/cci-clears-air-india-s-acquisition-of-airasia-india-stake-helping-merger-122061401393\\_1.html](https://www.business-standard.com/article/companies/cci-clears-air-india-s-acquisition-of-airasia-india-stake-helping-merger-122061401393_1.html)

### **Panel proposes timelines for approving resolution plans (June 17, 2022)**

A key government panel has proposed tweaks to Insolvency and Bankruptcy Code (IBC) to ensure time bound resolution of cases, including a 30-day deadline for an adjudicating authority to dispose of a resolution plan. Insolvency Law Committee, headed by corporate affairs secretary Shri. Rajesh Verma, has suggested measures including introduction of timelines for approval or rejection of resolution plans and use of digital databases for claim submission from creditors.

*For details:*

<https://economictimes.indiatimes.com/industry/banking/finance/panel-proposestimelines-for-approving-resolution-plans/articleshow/92262698.cms>

### **BIS formulates performance standards for Electric Vehicle Batteries (June 24, 2022)**

Bureau of Indian Standard, National Standard Body of India, has published standards for Test Specifications for Lithium-ion Traction Battery Packs and Systems (Performance Testing) for Electrically Propelled Road Vehicles. The standard IS 17855: 2022 for these battery packs and systems is harmonized with ISO 12405-4: 2018. This standard incorporates the test procedure for basic characteristic of performance, reliability and electrical functionality for the battery packs and system for either high power or high energy application. This standard is formulated considering real life scenarios for an electric vehicle such as vehicle is in parking (battery is not used for extended period of time), battery system is being shipped (stored), operating battery at low and high temperature etc. Further, keeping view on safety aspect of batteries for EV, Bureau of Indian Standard is in the process of publishing 2 more standard related to batteries for various passenger and goods carrying vehicles.

*For details:*

<https://www.pib.gov.in/PressReleasePage.aspx?PRID=1836787>

### **Russia defaults on foreign debt for first time since 1918 (June 27, 2022)**

Russia defaulted on its foreign-currency sovereign debt for the first time in a century, the culmination of ever-tougher Western sanctions that shut down payment routes to overseas creditors. For months, the country found paths around the penalties imposed after the Kremlin's invasion of Ukraine. But at the end of the day on Sunday, the grace period on about \$100 million of snared interest payments due May 27 expired, a deadline considered an event of default if missed. It's a grim marker in the country's rapid transformation into an economic, financial and political outcast. The nation's eurobonds have traded at distressed levels since the start of March, the central bank's foreign reserves remain frozen, and the biggest banks are severed from the global financial system.

*For details:*

<https://economictimes.indiatimes.com/news/international/business/russia-defaults-onforeign-debt-for-first-time-since-1918/articleshow/92479426.cms>

### **Future Retail Deal: NCLT Reserves Order on Amazon Petition against Bol's Insolvency Proceedings Plea (June 28, 2022)**

The National Company Law Tribunal (NCLT) on June 27, 2022 reserved its order on the petition filed by Amazon opposing Bank of India's plea to initiate insolvency resolution proceedings against debt-ridden Future Retail (FRL). After hearing the arguments of Amazon and Bank of India (BoI) on June 27, 2022, the Tribunal directed the e-retailer to submit its written response to the lender's submission by June 30, 2022.

*For details:*

<https://gadgets360.com/internet/news/future-retail-deal-amazon-boi-reliance-ncltpetition-insolvency-plea-3106457>

### **Union Education Secretary calls for incorporating study of PM Gati Shakti scheme in academic programs (June 28, 2022)**

Union Education Secretary Shri K. Sanjay Murthy called for incorporating study of PM Gati Shakti scheme in academic programs. In this context, he said that the need of the hour is that academic institutions realise the importance of this Government of India initiative. Shri Murthy said on June 28, 2022 that academic institutions have the power to play a significant role in bringing change through quality knowledge dissemination and relevant researches in logistics and infrastructure sectors. For details: <https://www.pib.gov.in/PressReleasePage.aspx?PRID=1837613> SIAC rejects Future Group's plea to terminate the arbitration proceedings (June 28, 2022) The Singapore International Arbitration Centre (SIAC) on June 28, 2022 rejected the Future Group's plea to terminate the arbitration proceedings initiated by e-commerce major amazon against the Future Retail's deal with Reliance Industries.

*For details:*

[https://www.business-standard.com/article/companies/siac-rejects-future-group-s-pleato-terminate-the-arbitration-proceedings-122062801502\\_1.html](https://www.business-standard.com/article/companies/siac-rejects-future-group-s-pleato-terminate-the-arbitration-proceedings-122062801502_1.html)

### **Home ministry amends FCRA rules; gives more time to declare funds (July 4, 2022)**

The ministry of home affairs (MHA) on Friday, July 1, 2022 amended foreign funding rules giving certain relaxations such as allowing relatives to send more money under the Foreign Contribution Regulation Act (FCRA) and giving more time to the organisations to inform the government about opening of bank accounts for utilization of funds received under 'registration' or 'prior permission' category. The amended rule now allows relatives to send `10 lakhs without informing the government. If the amount exceeds, the individuals will now have three months to inform the government against 30-days earlier.

*For details:*

<https://www.hindustantimes.com/india-news/home-ministry-amends-fcra-rules-gives-more-time-to-declare-funds-101656755200643.html>

<https://egazette.nic.in/WriteReadData/2022/236981.pdf>

### **PM to launch SGX Nifty trade at GIFT (July 12, 2022)**

Nifty futures contracts on Singapore Exchange (SGX) are set to start trading at the International Financial Service Centre (IFSC) in Gandhinagar on Friday. Prime Minister Narendra Modi will launch the dollar-denominated Nifty futures and inaugurate the India International Bullion Exchange (IIBX) at the Gujarat International Finance Tec (GIFT) City.

*For details:*

<https://economictimes.indiatimes.com/markets/stocks/news/pm-to-launch-sgx-niftytrade-at-gift/articleshow/92814613.cms>

### **RBI introduces mechanism for international trade settlements in rupees (July 12, 2022)**

In order to promote growth of global trade with emphasis on exports from India and to support the increasing interest of global trading community in rupee, RBI has decided to put in place an additional arrangement for invoicing, payment, and settlement of exports/imports in rupee. The new mechanism will also address issues related to invoicing, exchange rate as well as settlement.

*For details:*

<https://timesofindia.indiatimes.com/business/india-business/rbi-introduces-mechanism-for-international-trade-settlements-in-rupees/articleshow/92806360.cms>

### **Experts call for defining non-personal data before making laws on it (July 13, 2022)**

The Joint Committee of Parliament (JCP)'s recommendations on non-personal data (NPD) and anonymised personal data in last year's draft Data Protection Bill will not work till NPD is defined clearly, cybersecurity and policy experts said on July 12, 2022.

*For details:*

<https://economictimes.indiatimes.com/tech/technology/experts-call-for-defining-nonpersonal-data-before-making-laws-on-it/articleshow/92835164.cms>

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# International Financial Services Centres Authority

## Info Capsule Series 12

### **IFSCA Issues Framework for FinTech Entity in International Financial Services Centers (IFSCs) (April 27, 2022)**

The International Financial Services Centres Authority (IFSCA), in furtherance of its mandate to develop and regulate financial products, financial services and financial institutions in the International Financial Services Centres (IFSC) and to encourage promotion of financial technologies ('FinTech') across the spectrum of banking, insurance, securities, and fund management in IFSC has issued a detailed "Framework for FinTech Entity in the IFSCs". The "Framework for FinTech Entity in the IFSCs" is aimed at giving boost to the establishment of a world class FinTech Hub at GIFT IFSC comparable with other International Financial Centers (IFCs).

The framework proposes to cover (i) financial technology (FinTech) solutions resulting in new business models, applications, process or products in areas/activities linked to financial services regulated by IFSCA and (ii) advanced/innovative technological solutions which aid and assist activities in relation to financial products, financial services and financial institutions (TechFin). The framework provides for a dedicated Regulatory Sandbox for FinTech products or solutions namely IFSCA FinTech Regulatory Sandbox and empowers IFSCA to grant Limited Use Authorization within FinTech Regulatory Sandbox to the eligible financial technology entities in IFSC. This would enable them to apply and avail Grants under the IFSCA FinTech Incentive Scheme 2022.

*For details:*

<https://pib.gov.in/PressReleasePage.aspx?PRID=1820475>

### **Equivalence status by the European Commission to Central Counter Parties (CCPs) supervised by IFSCA (June 11, 2022)**

On October 01, 2020, the International Financial Services Centres Authority (IFSCA) became the unified regulator for all financial services and financial products in the International Financial Services Centre (IFSC). Thereafter, IFSCA notified the IFSCA (Market Infrastructure Institutions) Regulations, 2021 on April 16, 2021 and since that date are applicable to CCPs established and operating in the IFSC.

The European Commission (EC), on the basis of its assessment has concluded that the legal and supervisory arrangements in respect of CCPs authorised by IFSCA provide for effective supervision and ongoing enforcement, and comply with the requirements laid down by European Commission in this regard and accorded equivalence status to CCPs supervised by the IFSCA. Accordingly, in terms of the requirements laid down in European Market Infrastructure Regulation (EMIR), the EC on June 08, 2022 has accorded equivalence status to the following CCPs operating in IFSC under the supervision of IFSCA: a. India International Clearing Corporation (IFSC) Limited b. NSE IFSC Clearing Corporation Limited and The decision has been published in the Official Journal of the European Union and is available at [https://eur-lex.europa.eu/eli/dec\\_impl/2022/901/oj](https://eur-lex.europa.eu/eli/dec_impl/2022/901/oj).

*For details:*

<https://ifsc.gov.in/Viewer/PressReleases/312>

### **Regulatory framework for Angel Funds to facilitate investments in start-ups (July 1, 2022)**

The International Financial Services Centres Authority (IFSCA), had notified the IFSCA (Fund Management) Regulations, 2022 in April 2022 enabling the regulatory framework for various activities related to fund management including schemes for investing in earlystage venture capital undertaking (start-ups).

Angel Funds bridge the gap between start-ups and angel investors, who are instrumental in providing mentoring, and resources to the start-ups. In recognition of the same, IFSCA has now issued a framework for Angel funds under the IFSCA (Fund Management) Regulations, 2022.

*For details:*

<https://ifsc.gov.in/Viewer/Index/318>

<https://ifsc.gov.in/Viewer/PressReleases/317>

### **Unit deemed to be in International Financial Services Centre (July 06, 2022)**

In exercise of the powers conferred by section 55 of the Special Economic Zones Act, 2005, the Central Government notified the Special Economic Zones (Second Amendment) Rules, 2022.

According to the Amendment Rules, 2022 any Unit authorised under Rule 19 of the Special Economic Zones Rules, 2006 to store bullion as the underlying asset for the purpose of issuance of a bullion spot delivery contract or bullion depository receipt with underlying bullion that is traded in a bullion exchange shall be deemed to be in an International Financial Services Centre.

*For details:*

<https://egazette.nic.in/WriteReadData/2022/237128.pdf>

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# Consumer Protection Law

## Info Capsule Series 12

**Shri Piyush Goyal emphasises balance between need to protect consumers, and preventing harassment of entrepreneurs (May 9, 2022)**

Shri Piyush Goyal, Union Minister of Consumer Affairs, Food and Public Distribution, Textiles, and Commerce & Industry has sought effective implementation of laws to protect consumer interests without harassment of businesses. Delivering his inaugural address at the 'National Workshop on legal Metrology Act, 2009', Shri Goyal suggested a pragmatic approach to decriminalize laws and urged states to support the initiative to balance the interest of consumers with the need to simplify laws so that businesses, particularly the small enterprises, are not put to undue hardship. "It's our collective responsibility to ensure that the consumers do not face injustice while at the same time understanding the responsibility towards businessmen so that they can work peacefully," the minister said. He said that the focus should be mainly on differentiating between mens rea and bona fide cases. Talking about the statistics, Shri Goyal said that 97% of cases of first offenses were booked by the State Government on limited sections while no second offense was booked under the same sections.

*For details:*

<https://www.pib.gov.in/PressReleasePage.aspx?PRID=1823947>

**Digital media such as WhatsApp and e-mail can be used for speedy consumer complaint redressal: Shri Piyush Goyal (June 20, 2022)**

Emphasising on speedy and affordable justice by Consumer Commissions across the country, Shri Piyush Goyal, Union Minister of Consumer Affairs, Food & Public Distribution, Textiles and Commerce & Industry at a national workshop on "Effective and Speedy Consumer Disputes Redressal" urged that all Commissions to see how digital media such as WhatsApp and e-mail can be generously used to issue notices, replies and other documents.

Shri Goyal said that to provide a faster and amicable mode of settlement of consumer disputes, the new Act (Consumer Protection Act 2019) also introduces reference of consumer disputes to Mediation, with the consent of both parties. This will not only save time and money involved in litigating the dispute, it will also help in reducing the pendency of cases. The Government is also taking proactive steps in encouraging the use of electronic mediation (e-mediation).

Highlighting 'justice delayed is justice denied' he expressed that like e-filing, importance should also be provided for e-disposal. He applauded the progress of e-daakhil portal which enables online filing of consumer complaints and urged the authorities to facilitate virtual hearings in all cases.

*For details:*

<https://www.pib.gov.in/PressReleasePage.aspx?PRID=1835605>

**No hotels or restaurants can add service charge automatically or by default in the food bill (July 4, 2022)**

The Central Consumer Protection Authority (CCPA) has issued guidelines for preventing unfair trade practices and violation of consumer rights with regard to levying of service charge in hotels and restaurants. The guidelines issued by CCPA inter-alia stipulate that hotels or restaurant shall not add service charge automatically or by default in the food bill. No collection of service charge shall be done by any other name. No restriction on entry or provision of services based on collection of service charge shall be imposed on consumers.

If any consumer finds that a hotel or restaurant is levying service charge in violation to the guidelines, a consumer may make a request to the concerned hotel or restaurant to remove service charge from the bill amount. Also, the consumer may lodge a complaint on the National Consumer Helpline (NCH), which works as an alternate dispute redressal mechanism at the pre-litigation level by calling 1915 or through the NCH mobile app. The consumer may also file a complaint against unfair trade practice with the Consumer Commission. The Complaint can also be filed electronically through e-daakhil portal [www.edaakhil.nic.in](http://www.edaakhil.nic.in). Furthermore, the consumer may submit a complaint to the District Collector. The complaint may also be sent to the CCPA by e-mail at [com-ccpa@nic.in](mailto:com-ccpa@nic.in).

Various cases relating to levying of service charge have also been decided by consumer commissions in favor of consumers, holding the same as an unfair trade practice and in violation of consumer rights.

*For details:*

<https://www.pib.gov.in/PressReleasePage.aspx?PRID=1839133>

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# Environmental Laws

## Info Capsule Series 12

### India's GDP may grow 7.5-8% in FY23 on enhanced exports: CII President (April 25, 2022)

India's economy is expected to grow 7.5-8 per cent this fiscal year with exports playing a key role in the country's success story, CII President TV Narendran said on April 25, 2022. However, he said the country needs to remain prepared for any fallout of next wave of COVID-19 pandemic, and the impact of the ongoing Russia-Ukraine war.

*For details:*

[https://www.business-standard.com/article/economy-policy/india-s-gdp-may-grow-7-5-8-in-fy23-on-enhanced-exports-cii-president-122042500664\\_1.html](https://www.business-standard.com/article/economy-policy/india-s-gdp-may-grow-7-5-8-in-fy23-on-enhanced-exports-cii-president-122042500664_1.html)

# Technology & Automation

## Info Capsule Series 12

### WiFi at 40,000 ft: How does in-flight internet work? (April 25, 2022)

Earlier, air travel and internet access were considered mutually exclusive. If you were taking a flight, you would be logging out of the digital world. Then, in March of 2020, the government permitted airlines operating in India to provide in-flight Wi-Fi services to passengers.

For details:

[https://www.business-standard.com/podcast/technology/wifi-at-40-000-ft-how-does-in-flight-internet-work-122042500039\\_1.html](https://www.business-standard.com/podcast/technology/wifi-at-40-000-ft-how-does-in-flight-internet-work-122042500039_1.html)

### Gujarat Chief Minister facilitates MoU between CSIR and iCreate to harness India's tech strength (April 25, 2022)

The Chief Minister of Gujarat, Shri Bhupendra Patel on April 25, 2022 presided over the MoU signing between the Government of Gujarat's flagship technology incubator - iCreate (International Centre for Entrepreneurship and Technology) and the Council of Scientific and Industrial Research (CSIR), the premier research and development body of the Government of India. Under the MoU, CSIR and iCreate intend to establish a collaborative support system for promising tech start-ups by making combined resources available for entrepreneurs and innovators in the country. The partnership will also catalyse scientific innovation and the marketability of high-tech start-ups.

For details:

<https://www.pib.gov.in/PressReleasePage.aspx?PRID=1819900>

### **India, European Union agree to establish Trade and Technology Council (April 26, 2022)**

India and the European Union (EU) on April 25, 2022 agreed to establish a Trade and Technology Council, a strategic mechanism to address the challenges of ensuring trusted technology and security in the wake of rapid geopolitical changes – a move that is expected to deepen their strategic relationship.

*For details:*

[https://www.business-standard.com/article/economy-policy/india-european-union-agree-to-establish-trade-and-technology-council-122042600065\\_1.html](https://www.business-standard.com/article/economy-policy/india-european-union-agree-to-establish-trade-and-technology-council-122042600065_1.html)

### **Atal Innovation Mission (AIM) supporting more than 2200 start-ups in all the major fields of innovation like Health Tech, Fin-tech, Agri-tech, AI-ML, IOT and other sectors of public importance: Dr Jitendra Singh (April 28, 2022)**

Addressing the Azadi Ka Amrit Mahotsav, Atal Innovation Mission (AIM) event organised by NITI Aayog titled, “Celebrating 75 years of India’s Innovation Journey”, Dr Jitendra Singh said, Atal Innovation Mission has ignited the spirit of innovation and entrepreneurship in our schools and colleges thus motivating them to become confident self-employers. He informed that the Mission through its various programmes has been supporting more than 2,200 StartUps in all the major fields of innovation like Health Tech, Fin-tech, Agri-tech, AI-ML, IOT and other sectors of public importance.

*For details:*

<https://www.pib.gov.in/PressReleasePage.aspx?PRID=1820990>

### **IndiGo runs first trial flight using GAGAN satellite technology (April 28, 2022)**

IndiGo made history on April 28, 2022 as it became the first airline in Asia to use the indigenously developed satellite-based navigation system during landing. The trials were carried out in the presence of the Directorate General of Civil Aviation (DGCA) officials. The system, known as GAGAN, has been jointly developed by the Airports Authority of India (AAI) and the Indian Space Research Organisation. With the help of reference and uplink stations, GAGAN provides corrections to the global positioning system signal to improve air traffic management.

*For details:*

[https://www.business-standard.com/article/companies/indigo-runs-first-trial-flight-using-gagan-satellite-technology-122042801427\\_1.html](https://www.business-standard.com/article/companies/indigo-runs-first-trial-flight-using-gagan-satellite-technology-122042801427_1.html)

### **Vedantu announces technology to bring down cost of online learning (April 28, 2022)**

Vedantu, a company that provides live online learning, on April 28, 2022 launched Augmented Interactive (Ai) Live, a technology it says will make quality education accessible and affordable. Ai Live will reduce Vedantu’s course price point to Rs 5000 per year, from Rs 25,000 earlier. The product is expected to give Vedantu an edge over its competitors such as Byju’s, Unacademy, Simplilearn, UpGrad and Amazon Academy, said the company.

*For details:*

[https://www.business-standard.com/article/companies/vedantu-announces-technology-to-bring-down-cost-of-online-learning-122042801246\\_1.html](https://www.business-standard.com/article/companies/vedantu-announces-technology-to-bring-down-cost-of-online-learning-122042801246_1.html)

### **India to launch open e-commerce network to take on Amazon, Walmart (April 28, 2022)**

India will on April 29, 2022 launch an Open Network for Digital Commerce (ONDC) as the government tries to end the dominance of U.S. companies Amazon.com and Walmart in the fast-growing e-commerce market, a government document showed. The launch of the platform comes after India's antitrust body on April 29, 2022 raided domestic sellers of Amazon and some of Walmart's Flipkart following accusations of competition law violations. The companies did not respond to request for comment on the raids.

*For details:*

[https://www.business-standard.com/article/economy-policy/india-to-launch-open-e-commerce-network-to-take-on-amazon-walmart-122042801460\\_1.html](https://www.business-standard.com/article/economy-policy/india-to-launch-open-e-commerce-network-to-take-on-amazon-walmart-122042801460_1.html)

### **Algo Rhythm: Indian technology innovation gaining pace, shows data (May 01, 2022)**

Indian companies filed 138,000 tech patents in India between 2015 and 2021. In the US, a major market for Indian tech firms, India-domiciled companies have filed more than 9,500 patents during the 2015-2021 period, a majority of them technology patents. This represented an over 45 per cent increase over the number of patents filed during 2015-19, according to a report by Nasscom and Sagacious IP, which seeks to understand how Indian tech companies are creating IP assets in their largest market.

*For details:*

[https://www.business-standard.com/article/technology/algo-rhythm-indian-technology-innovation-gaining-pace-shows-data-122050100896\\_1.html](https://www.business-standard.com/article/technology/algo-rhythm-indian-technology-innovation-gaining-pace-shows-data-122050100896_1.html)

### **Government to review design linked incentive scheme to support 100 cos : MoS IT (May 01, 2022)**

The government will review norms of the design linked incentive (DLI) program which envisages to support 100 companies involved in product design in the semiconductor space as part of a Rs. 76,000 crore scheme for developing the electronic chip ecosystem in the country, Minister of State for Electronics and IT, Shri. Rajeev Chandrasekhar said on May 01, 2022.

*For details:*

[https://www.business-standard.com/article/economy-policy/govt-to-review-design-linked-incentive-scheme-to-support-100-cos-mos-it-122050100455\\_1.html](https://www.business-standard.com/article/economy-policy/govt-to-review-design-linked-incentive-scheme-to-support-100-cos-mos-it-122050100455_1.html)

### **India and Germany agree to work together with focus on Artificial Intelligence (AI) Start-Ups as well as 'AI' research and its application in Sustainability and Health care (May 03, 2022)**

India and Germany have agreed to work together with focus on Artificial Intelligence ('AI') StartUps as well as AI research and its application in Sustainability and Health care, said Dr Jitendra Singh, Minister for Science & Technology and Earth Sciences after his "bilateral" talks with German Minister for Education & Research, Bettina Stark-Watzinger. Both the Ministers agreed that there is a lot of scope to work together in Artificial Intelligence for which experts on two sides have already met. An Indo-German call for proposals for this would be raised soon inviting proposals from researchers and industry.

*For details:*

<https://www.pib.gov.in/PressReleasePage.aspx?PRID=1822324>

### **Meta is planning to launch four high-end VR headsets by 2024 (May 03, 2022)**

Meta (formerly Facebook) is working on four new virtual reality (VR) and mixed reality (MR) headsets that the company will release by 2024. According to the Information, the aggressive timeline reflects Meta Founder and CEO Mr. Mark Zuckerberg's desire to advance his metaverse dream by getting more people to use VR devices. A second version of Cambria, code-named Funston, is likely to be launched in 2024. The Cambria VR headset may have high-resolution image quality so that you can write and type emails within the VR environment.

*For details:*

[https://www.business-standard.com/article/technology/meta-is-planning-to-launch-four-high-end-vr-headsets-by-2024-122050300183\\_1.html](https://www.business-standard.com/article/technology/meta-is-planning-to-launch-four-high-end-vr-headsets-by-2024-122050300183_1.html)

### **Indian, Danish business leaders discuss solar energy, green technologies (May 04, 2022)**

Business leaders of India and Denmark discussed several issues including wind energy, solar energy and other green technologies during the Business Forum event between the two countries on May 03, 2022. Prime Minister Shri. Narendra Modi jointly participated with Prime Minister of Denmark Shri. Mette Frederiksen, and Crown Prince Frederik of Denmark, in the India-Denmark Business Forum at the Confederation of Danish Industry.

*For details:*

[https://www.business-standard.com/article/current-affairs/indian-danish-business-leaders-discuss-solar-energy-green-technologies-122050301278\\_1.html](https://www.business-standard.com/article/current-affairs/indian-danish-business-leaders-discuss-solar-energy-green-technologies-122050301278_1.html)

### **Democratizing Chip Designing in India (May 04, 2022)**

Ministry of Electronics and Information Technology (MeitY) with its series of graded and proactive steps, is in the process of systematic overhaul of semiconductor design approach at 120 premier academic institutions across the country to debut an era of creative enablement where anyone with innate skills, anywhere in the country can get the semiconductor chips designed. In the process, chip design will be democratized in line with the vision of Prime Minister Narendra Modi that - Design in India is as important as Make in India. Understanding chip design as a strategic necessity, a pilot deployment was successfully tested by MeitY earlier in 2021 under Special Manpower Development Programme for Chips to System Design (SMDP-C2SD), wherein a centralized design facility at C-DAC was enabled for remote access by over 50,000 engineering students at 60 academic institutions for designing chips. Leapfrogging, MeitY now intends to make accessible a centralized chip design infrastructure to be made available at India Chip Centre setup at C-DAC, to train 85000+ B.Tech, M.Tech and PhD students at 120 academic institutions across the country in chip design area for next 5 years. For making available the chip design infrastructure at India Chip Centre (C-DAC), leading industry vendors from EDA (Electronic Design Automation), Electronic Computer-Aided Design (ECAD), IP Core and Design solutions Industry are being partnered with. Specific collaborative arrangements are being made available with Synopsys, Cadence Design Systems, Siemens EDA, Silvaco & other leading tool vendors, IP & design solution providers and Fab aggregators.

*For details:*

<https://pib.gov.in/PressReleaselframePage.aspx?PRID=1822676>



**Smt. Anupriya Patel calls upon SMEs to adopt technology towards raising productivity and promoting sustainability, encourages Industry 4.0 to reach out to Tier-2 and Tier3 cities (May 05, 2022)**

Union Minister of State for Commerce & Industry, Smt. Anupriya Patel has called upon the Small and Medium Enterprises (SMEs) to adopt technology towards raising productivity and promoting sustainability. Addressing the Inaugural Session of the First FICCI Industry 4.0 Awards function and Conference, the Minister assured the industry of Government's support and urged them to take the 'Industry 4.0' to Tier-2 and Tier-3 cities. Smt. Patel said, after the three Industrial Revolutions, we are now headed towards the 4th Industrial Revolution, - 'Industry 4.0', which is the trend of Automation & Data Exchange at all levels of production aimed at increasing productivity, efficiency and also addressing the issues of sustainability, climate change and host of other such relevant ideas.

*For details:*

<https://www.pib.gov.in/PressReleasePage.aspx?PRID=1822975>

**IIT-M researchers to develop technologies for manufacturing in outer space (May 08, 2022)**

The Indian Institute of Technology (IIT), Madras, has established a research group to develop technologies for manufacturing products at extra-terrestrial locations and address the existing gaps in this sector in India, according to officials. According to the team, India is a leader in developing and applying technologies for manufacturing launch vehicles and satellites.

*For details:*

[https://www.business-standard.com/article/current-affairs/iit-m-researchers-to-develop-technologies-for-manufacturing-in-outer-space-122050800465\\_1.html](https://www.business-standard.com/article/current-affairs/iit-m-researchers-to-develop-technologies-for-manufacturing-in-outer-space-122050800465_1.html)

**Five Indian start-ups join World Economic Forum's tech pioneer community (May 10, 2022)**

Five Indian start-ups were among the 100 new start-ups to join the World Economic Forum's (WEF) Technology Pioneers Community. These start-ups are expected to forge new paths in various sectors such as healthcare and food production.

*For details:*

<https://www.businesstoday.in/latest/corporate/story/five-indian-start-ups-join-worldeconomic-forums-tech-pioneer-community-332976-2022-05-10>

**Union Minister Dr. Jitendra Singh says, future belongs to technology-driven economy and calls for building Innovation Ecosystem in the country (May 11, 2022)**

Union Minister Dr. Jitendra Singh at National Technology Day 2022 event said, future belongs to technology-driven economy, which coincides with India becoming a full Nuclear Country after the Nuclear explosion at Pokhran on 11th May, 1998, Dr Jitendra Singh said, India is already on the ascent and Science, Technology and Innovation are going to be the key determinants of the roadmap for next 25 years when we celebrate 100 years of India's Independence. He said, there is an urgent need to build an "Innovation Ecosystem" for the Start-ups as there is no dearth of talent and resources in the country.

*For details:*

<https://www.pib.gov.in/PressReleasePage.aspx?PRID=1824472>

### **Aakash+BYJU'S' invests \$4 million in HR automation firm HONO (May 11, 2022)**

Leading test prep company Aakash+BYJU'S' managing director and deep-tech investor Mr. Aakash Chaudhry has led human resources (HR) automation firm HONO's Series A round of funding with \$4 million (Rs. 30 crore roughly).

*For details:*

[https://www.business-standard.com/article/companies/aakash-byju-s-chaudhry-invests4-million-in-hr-automation-firm-hono-122051100978\\_1.html](https://www.business-standard.com/article/companies/aakash-byju-s-chaudhry-invests4-million-in-hr-automation-firm-hono-122051100978_1.html)

### **Companies looking to accelerate digital transformation: HCL's Roshni Nadar (May 12, 2022)**

The demand environment for technology "continues to be robust" despite the challenges seen over the last two years, and global clients have a razor-sharp focus on accelerating digital transformation with efficiency, HCL Technologies Chairperson Ms. Roshni Nadar Malhotra said on May 12, 2022.

*For details:*

[https://www.business-standard.com/article/companies/companies-looking-toaccelerate-digital-transformation-hcl-s-roshni-nadar-122051200405\\_1.html](https://www.business-standard.com/article/companies/companies-looking-toaccelerate-digital-transformation-hcl-s-roshni-nadar-122051200405_1.html)

### **California: Uber launches robot food delivery with Serve Robotics, Motional (May 16, 2022)**

Uber Technologies Inc on May 16, 2022 said it launched pilot food delivery services with autonomous vehicles in two California cities, and said it was adding electric vehicle charging stations into its global driver app. The announcements are part of Uber's annual product event where the ride-hail and food delivery company showcases the latest updates to its app.

*For details:*

[https://www.business-standard.com/article/international/california-uber-launches-robotfood-delivery-with-serve-robotics-motional-122051601374\\_1.html](https://www.business-standard.com/article/international/california-uber-launches-robotfood-delivery-with-serve-robotics-motional-122051601374_1.html)

### **Union Minister Dr. Jitendra Singh emphasises technology and AI driven governance reforms (May 17, 2022)**

In an interaction with the Permanent Secretaries of the Govt. of Gambia, who are currently in India to attend a one week Capacity Building Programme on Public Policy and Governance, Union Minister Dr. Jitendra Singh emphasised technology and Artificial Intelligence (AI) driven governance, which, he said, is going to become an essential part of our future working.

*For details:*

<https://www.pib.gov.in/PressReleasePage.aspx?PRID=1826047>

### **India aims to roll out 6G telecom network by end of decade: PM Modi (May 17, 2022)**

India is targeting the rollout of 6G telecom network, which will provide ultra high speed internet connectivity, by the end of the decade, Prime Minister Shri Narendra Modi said on (Tuesday) May 17, 2022. India currently has 3G and 4G telecom networks and companies are gearing up to launch 5G over the next few months.

*For details:*

[https://www.business-standard.com/article/current-affairs/india-aims-to-roll-out-6gtelecom-network-by-end-of-decade-pm-modi-122051700530\\_1.html](https://www.business-standard.com/article/current-affairs/india-aims-to-roll-out-6gtelecom-network-by-end-of-decade-pm-modi-122051700530_1.html)

**Leverage technology to ensure accessible, affordable and quality education for all Shri Dharmendra Pradhan (May 18, 2022)**

Union Education Minister Shri Dharmendra Pradhan reviewed the progress made under National Educational Technology Forum (NETF) and National Digital Educational Architecture (NDEAR). Senior officials of Education and Skill Development Ministry attended the meeting. NETF will be the guiding body for National Digital Educational Architecture (NDEAR). It will act as the blueprint for creating a unifying national digital infrastructure to energize and catalyze the entire education ecosystem. NDEAR takes on an 'Open Digital Ecosystem' approach, where a set of principles, standards, specifications, building blocks and guidelines seek to enable different entities to create elements of the digital education ecosystem.

*For details:*

<https://www.pib.gov.in/PressReleasePage.aspx?PRID=1826484>

**WEF 2022: How data and tech are driving change in predicting future (May 19, 2022)**

This is the dawn of the golden age of predictive technologies. Billions of sophisticated algorithms powered by vast computers enable forecasters to process ever-larger amounts of data. In a range of fields from weather to medicine to business, our ability to draw conclusions about the future should be better now than at any stage in history.

*For details:*

[https://www.business-standard.com/article/current-affairs/wef-2022-how-data-andtech-are-driving-change-in-predicting-future-122051900206\\_1.html](https://www.business-standard.com/article/current-affairs/wef-2022-how-data-andtech-are-driving-change-in-predicting-future-122051900206_1.html)

**Policy framework for data centres ready; to soon go for cabinet approval (May 20, 2022)**

The IT ministry, which plans to offer incentives worth up to Rs. 15,000 crore under a national policy framework for data centres, will soon take it to the Cabinet for approval, as per senior government officials. According to a draft of the policy, the government is eyeing investments of up to Rs. 3 lakh crore in the data centre ecosystem over the next five years. "This will be the largest investment that any incentive scheme has attracted so far. It even outstrips the semiconductor policy in terms of expected investment," an official said.

*For details:*

<https://economictimes.indiatimes.com/tech/technology/policyframework-for-data-centresready-to-soon-go-for-cabinetapproval/articleshow/91669853.cms>

**Defence Minister urges youths to indigenise new technologies (May 22, 2022)**

Hon'ble Defence Minister Shri Rajnath Singh on May 20, 2022 called up the youth of the country to ideate, innovate and indigenize new technologies to achieve "Aatmanirbhar Bharat". He described the youth as the biggest strength, catalyst and source of change for any country.

*For details:*

<https://timesofindia.indiatimes.com/city/pune/defence-minister-urges-youths-to-indigenisenew-technologies/articleshow/91716668.cms>

**Technology key to building MSMEs' competitiveness; need to identify 'sectors of excellence' for growth: Experts (May 22, 2022)**

Indian micro, small and medium enterprises (MSMEs) have arguably got a long road ahead to become globally competitive. The scope of improvement in international markets is vast given their contribution to Indian exports at nearly 50 per cent and around 30 per cent share in the gross domestic product. To improve the competitiveness of Indian businesses, experts believed technology to be the key enabler.

*For details:*

<https://www.financialexpress.com/industry/sme/msme-eodb-technology-key-to-buildingmsmes-competitiveness-need-to-identify-sectors-of-excellence-for-growth-experts/2533647/>

**Ransomware attacks rise 13% in past year, India Inc at great risk: Report (May 24, 2022)**

There has been an alarming rise in ransomware breaches globally, including India, which increased by 13 per cent in the past one year, representing a jump greater than the past 5 years combined, a new report said on May 24, 2022 (Tuesday). Heightened geopolitical tensions are driving increased sophistication, visibility, and awareness around nation-state affiliated cyber-attacks, according to the "Verizon Business 2022 Data Breach Investigations Report (2022 DBIR)".

*For details:*

[https://www.business-standard.com/article/current-affairs/ransomware-attacks-rise-13-in-past-year-india-inc-at-great-risk-report-122052400407\\_1.html](https://www.business-standard.com/article/current-affairs/ransomware-attacks-rise-13-in-past-year-india-inc-at-great-risk-report-122052400407_1.html)

**Side Event of India held on Strategic Priorities for Adoption of Emerging Technologies in the Energy Sector for Climate Change Mitigation during the 78th Commission Session of UN-ESCAP (May 25, 2022)**

Emerging technologies and their innovative applications in the energy sector offer advantages such as efficiency improvement, emissions reduction and cost optimization, among others. Enabling policies and strategies are essential to facilitate transfer and diffusion of emerging technologies across the Asia-Pacific region. To discuss and identify strategic priorities for adoption of emerging technologies in the energy sector, a virtual side event was organized on 24 May 2022 during the 78th Session of ESCAP, from 23-27 May 2022. The event was jointly organized by the Department of Scientific and Industrial Research (DSIR), Ministry of Science and Technology, Government of India and the Asian and Pacific Centre for Transfer of Technology (APCTT) of United Nations Economic and Social Commission for Asia and the Pacific (ESCAP).

*For details:*

<https://www.pib.gov.in/PressReleasePage.aspx?PRID=1828294>

**Union Minister Dr Jitendra Singh says, Government is supporting indigenous development of high-powered Magnetron technology for cancer radiation therapy (May 25, 2022)**

Dr Jitendra Singh said, high-powered Magnetron developed by CSIR-CEERI (Central Electronics Engineering Research Institute), Pilani for commercial use will be a pathbreaking technology for Oncologists to treat even 2 mm diameter brain tumour with precision radiation with very little side-effects. He said, this will not only increase efficacy, but also prove cost effective in treatment of micro and major tumours.

*For details:*

<https://www.pib.gov.in/PressReleasePage.aspx?PRID=1828262>

**TechEagle collabs with India Post to deliver mail through drone in Gujarat (May 31, 2022)**

Gurugram-based startup TechEagle on (Tuesday) May 31, 2022 said its drone has successfully delivered a mail in Gujarat under a pilot project in collaboration with India Post, which could pave the way for postal deliveries by drones in the future. The first such drone flight delivered the parcel in the Kutch region of Gujarat in less than half an hour, travelling a distance of 46 km, with a five-times faster speed than surface transportation, the deep-tech drone technology startup said in a release.

*For details:*

[https://www.business-standard.com/article/companies/techeagle-collabs-with-indiapost-to-deliver-mail-through-drone-in-gujarat-122053100365\\_1.html](https://www.business-standard.com/article/companies/techeagle-collabs-with-indiapost-to-deliver-mail-through-drone-in-gujarat-122053100365_1.html)

**Workplace platform Slack enters India to help firms establish 'digital HQs' (June 01 2022)**

Workplace communication platform Slack on June 01, 2022 announced to official enter the Indian market, to help companies navigate the transition to a hybrid workplace by establishing digital headquarters. Slack, which has users in over 150 countries globally, already has a significant following in India which is one of its top 10 markets for paid teams globally.

*For details:*

[https://www.business-standard.com/article/companies/workplace-platform-slack-entersindia-to-help-firms-establish-digital-hqs-122060100600\\_1.html](https://www.business-standard.com/article/companies/workplace-platform-slack-entersindia-to-help-firms-establish-digital-hqs-122060100600_1.html)

**Tripura gets first-ever virtual court for traffic e-challan cases (June 01, 2022)**

The first virtual court for traffic e-challan cases in Tripura was inaugurated by the Chief Justice of High Court of Tripura here on June 01, 2022. Asserting that litigants are the focus of the judiciary, the chief justice said, whatever may be we are or working in whatever category - judges, registry and police officers - we all come under the umbrella of the Constitution. Everything we do or don't do is aimed at serving the people of our country.

*For details:*

[https://www.business-standard.com/article/current-affairs/tripura-gets-first-ever-virtual-court-for-traffic-e-challan-cases-122060100583\\_1.html](https://www.business-standard.com/article/current-affairs/tripura-gets-first-ever-virtual-court-for-traffic-e-challan-cases-122060100583_1.html)

### **India weighs appellate panel to hear grievances for social media takedowns (June 02, 2022)**

India is considering whether to set up an appellate panel to hear grievances by social media users against operators' decisions to take down content, the Information Technology Ministry said on June 02, 2022. The remarks came in a document seeking public comment on amendments to IT rules that took effect last year, aiming to regulate content and spur firms to respond faster to legal requests to remove posts and give details of message originators.

*For details:*

[https://www.business-standard.com/article/economy-policy/india-weighs-appellatepanel-to-hear-grievances-for-social-media-takedowns-122060200291\\_1.html](https://www.business-standard.com/article/economy-policy/india-weighs-appellatepanel-to-hear-grievances-for-social-media-takedowns-122060200291_1.html)

### **Covid pandemic impact: When technology integrates with school education (June 08, 2022)**

When the pandemic disrupted existing practices of imparting education and forced the world to rethink its medium of instruction, technology was the saving grace. Reliance on technology in the post-pandemic era has made education increasingly mobile, creating an opportunity to make quality school education accessible in the country's most remote areas. Technological integration is poised as a critical catalyst in the field of education. Countries worldwide have been developing national-level schemes to promote Information and Communications Technology (ICT) usage, which World Bank and UNESCO have also recognised.

*For details:*

[https://www.business-standard.com/article/education/covid-pandemic-impact-whentechnology-marries-school-education-122060800118\\_1.html](https://www.business-standard.com/article/education/covid-pandemic-impact-whentechnology-marries-school-education-122060800118_1.html)

### **Cabinet approves Memorandum of Understanding between India and United Arab Emirates (UAE) on Cooperation in the field of Industries and Advanced Technologies (June 08, 2022)**

The Union Cabinet on June 08, 2022 has approved the proposal for signing a bilateral Memorandum of Understanding (MoU) between India and the United Arab Emirates (UAE) on Cooperation in the field of Industries and Advanced Technologies. The MoU envisages cooperation on a mutually beneficial basis on the areas such as; Artificial Intelligence, Renewable & Energy Efficiency, Health and life sciences and Strengthening the Supply Chain Resilience of Industries etc.

*For details:*

<https://www.pib.gov.in/PressReleasePage.aspx?PRID=1832176>

### **Edtech players go hybrid as online growth slows (June 11, 2022)**

Edtech players are turning their focus on a hybrid model amid a slowing down in the sector after two years of hyper growth as easing Covid-19 curbs and reopening of offline institutions make more students go back to traditional modes of learning.

*For details:*

<https://economictimes.indiatimes.com/tech/startups/edtech-players-go-hybrid-as-onlinegrowth-slows/articleshow/92134261.cms>



### **Automation picks up pace amid high attrition, inflation (June 13, 2022)**

The automation of repetitive tasks is coming to the rescue of IT companies amid high attrition rates and cost cuts in a high inflationary environment. Global IT research firm Gartner has predicted that the market size for digital automation will touch around \$600 billion in the ongoing fiscal year, a 35% annualized growth rate over five years.

*For details:*

<https://economictimes.indiatimes.com/tech/technology/automation-picks-up-pace-amidhigh-attrition-inflation/articleshow/92165404.cms>

### **Chrome for Windows, Mac, Linux Updates with 4 High-Risk Vulnerability Fixes (June 13, 2022)**

Google has released Chrome version 102.0.5005.115 for Windows, Mac, and Linux. The new release fixes a total of seven security vulnerabilities – of which, four are marked highly severe. The update is rolling out to desktop users across Windows, macOS and Linux platforms over the coming days. India's Computer Emergency Response Team (CERT-In) and the United States Cybersecurity and Infrastructure Agency (CISA) have urged users to install the latest Chrome release on their systems to prevent the reported issues.

*For details:*

<https://gadgets360.com/apps/news/google-chrome-desktop-102-0-5005-115-windowsmac-linux-security-fixes-cert-in-cisa-update-3063485>

### **AI can now detect early stage glaucoma, diabetic retinopathy and other eye conditions (June 14, 2022)**

Artificial Intelligence (AI) has emerged as a game-changer in ophthalmology. Using computer-algorithms, it helps in analysing medical data to detect diabetic retinopathy, glaucoma, and others in the early stages.

*For details:*

<https://www.businessinsider.in/tech/news/ai-can-now-detect-early-stage-glaucomadiabetic-retinopathy-and-other-eye-conditions/articleshow/92194366.cms>

### **Government bans VPN, cloud services for employees (June 17, 2022)**

The government has barred its employees from using third-party virtual private networks (VPN) and anonymisation services offered by companies such as Nord VPN, ExpressVPN and Tor. The mandate comes just days after ExpressVPN, Surfshark and NordVPN said they would stop offering their services in the country following a directive by the Indian Computer Emergency Response Team (Cert-In) on how VPN companies should operate in India. The directive also urges government employees not to save “any internal, restricted or confidential government data files on any non-government cloud service such as Google Drive or Dropbox.”

*For details:*

<https://economictimes.indiatimes.com/tech/technology/govt-bans-vpn-cloud-servicesfor-employees/articleshow/92269197.cms>



### **Microsoft's Internet Explorer to retire after 27 years of service (June 15, 2022)**

Tech company Microsoft is pulling the plug on its oldest Internet Explorer after 27 years of service. Released in 1995, the search browser came as an add-on for Windows 95. The versions that came after this were available for free or as in-service packs. Known as the OG search browser, the Internet Explorer saw its major jump in 2003 before falling and becoming the least favourite after new browsers entered the market.

*For details:*

<https://economictimes.indiatimes.com/magazines/panache/microsofts-internetexplorer-to-retire-after-27-years-of-service-twitter-getsnostalgic/articleshow/92194079.cms>

### **Governance policy will ensure fair access to non-personal data: MeitY (June 17, 2022)**

The National Data Governance Framework Policy (NDGFP) will ensure equitable access to non-personal data as it seeks public consultation, said the Ministry of Electronics & IT (MeitY) on (Thursday) June 16, 2022. The draft policy focuses on improving the institutional framework for government data sharing, promoting principles around privacy and security by design, and encouraging the use of anonymization tools, said the ministry in a statement.

*For details:*

[https://www.business-standard.com/article/economy-policy/governance-policy-willensure-fair-access-to-non-personal-data-meity-122061600954\\_1.html](https://www.business-standard.com/article/economy-policy/governance-policy-willensure-fair-access-to-non-personal-data-meity-122061600954_1.html)

### **Tech giant Google to bring picture-in-picture mode for Meet app (June 19, 2022)**

Tech giant Google has announced that it is bringing picture-in-picture (PiP) support to its video conferencing app alongside pinning multiple videos feeds. With the new functionality, users can see up to four video tiles in a meeting as it appears in a floating window, reports Android Central. Enabling the new picture-in-picture is relatively simple. Users on a Google Meet call can right-click during the conference and select "Open picture-in-picture".

*For details:*

[https://www.business-standard.com/article/technology/tech-giant-google-to-bring-picture-in-picture-mode-for-meet-app-122061900313\\_1.html](https://www.business-standard.com/article/technology/tech-giant-google-to-bring-picture-in-picture-mode-for-meet-app-122061900313_1.html)

### **India Improves Global Internet Speed Ranking, Faster Download Speeds Countries: Report (June 20, 2022)**

India gained three spots in the global ranking on median download speed, reaching 115th position with recording 14.28 Mbps in May which is slightly better than 14.19 Mbps speed in April, a new report showed on June 20, 2022. Indian also improved its global ranking for overall fixed median download speeds, from 76th in April to 75th in May, according to network intelligence and connectivity leader Ookla.

*For details:*

<https://www.news18.com/news/tech/india-improves-global-internet-speed-ranking-fasterdownload-speeds-countries-report-5407009.html>

### **AI adoption to add \$500 billion to India's GDP by 2025: Nasscom report (June 23, 2022)**

The adoption of artificial intelligence (AI) and data utilisation strategy can add \$500 billion to India's GDP by 2025, a new Nasscom report showed on June 23, 2022. The AI adoption in four key sectors - Banking, financial services and insurance (BFSI), consumer packaged goods (CPG) and retail, healthcare, and industrials/automotive - can contribute 60 per cent of the total \$ 500 billion opportunity, according to "AI Adoption Index" Nasscom, EY and Microsoft, EXL and Capgemini.

*For details:*

[https://www.business-standard.com/article/economy-policy/ai-adoption-to-add-500-billion-to-india-s-gdp-by-2025-nasscom-report-122062300493\\_1.html](https://www.business-standard.com/article/economy-policy/ai-adoption-to-add-500-billion-to-india-s-gdp-by-2025-nasscom-report-122062300493_1.html)

### **Meta builds AI models for realistic sound experience in VR environments (June 27, 2022)**

Meta (formerly Facebook) has built three new artificial intelligence (AI) models designed to make sound more realistic in mixed and virtual reality experiences. The three models -- Visual-Acoustic Matching, Visually-Informed Dereverberation and VisualVoice -- focus on human speech and sounds in video and are designed to push "us toward a more immersive reality at a faster rate," the company said in a statement.

*For details:*

[https://www.business-standard.com/article/technology/meta-builds-ai-models-for-realistic-sound-experience-in-vr-environments-122062700299\\_1.html](https://www.business-standard.com/article/technology/meta-builds-ai-models-for-realistic-sound-experience-in-vr-environments-122062700299_1.html)

### **CERT-In extends new privacy rules for VPN providers to September 25 (June 29, 2022)**

The Indian Computer Emergency Response Team (CERT-In) has given Virtual Private Network (VPN) providers and cloud service operators an extension of three months to comply with its newly drafted VPN rules. This comes as VPN providers such as SurfShark, NordVPN, and ExpressVPN removed their India servers citing a threat to the anonymity and privacy of users. However, the deadline now has been extended to September 25, the Ministry of Electronics & IT (MeitY) said in a press statement.

*For details:*

<https://indianexpress.com/article/technology/tech-news-technology/cert-in-extends-new-privacy-rules-for-vpn-providers-to-september-25-7996158/>

### **Warning to Twitter aimed at 'securing internet' in India : Government sources (June 29, 2022)**

Twitter being warned "one last" time to comply with government directives was "aimed at ensuring free and secured internet for everyone in the country", said sources in the Ministry of Electronics and Information Technology (MeitY) on June 29, 2022.

*For details:*

[https://www.business-standard.com/article/economypolicy/warning-to-twitter-aimed-at-securing-internet-in-india-govt-sources-122062901288\\_1.html](https://www.business-standard.com/article/economypolicy/warning-to-twitter-aimed-at-securing-internet-in-india-govt-sources-122062901288_1.html)

### **Meta develops early-stage AI translation tool (July 06, 2022)**

Tech giant Meta has created a single artificial intelligence (AI) based model capable of translating across 200 different languages, including many not supported by current commercial tools.

*For details:*

<https://www.gadgetsnow.com/tech-news/meta-developsearly-stage-ai-translation-tool/articleshow/92707049.cms>

### **Hon'ble Raksha Mantri launches 75 Artificial Intelligence products/technologies during first-ever 'AI in Defence' symposium & exhibition in New Delhi (July 11, 2022)**

Raksha Mantri Shri Rajnath Singh launched 75 newly-developed Artificial Intelligence (AI) products/technologies during the first-ever 'AI in Defence' (AIDef) symposium and exhibition, organised by Ministry of Defence in New Delhi on July 11, 2022. The products, launched as part of 'Azadi Ka Amrit Mahotsav' celebrations, fall under various domains. These include AI Platform Automation; Autonomous/Unmanned/Robotics systems; Cyber Security; Human Behavioural Analysis; Intelligent Monitoring Systems; Logistics and Supply Chain Management, Operational Data Analytics; Manufacturing and Maintenance; Simulators/Test Equipment and speech/voice analysis using Natural Language Processing etc.

*For details:*

<https://www.pib.gov.in/PressReleasePage.aspx?PRID=1840740>

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# Directorate General of Foreign Trade

## Info Capsule Series 12

### **Application for recognition as Pre-Shipment Inspection Agency (PSIA) and issuance and electronic Verification of Pre-Shipment Inspection Certificate (PSIC) - reg (April 26, 2022)**

As a part of IT Revamp, Directorate General of Foreign Trade proposes a new online module for filing of application for recognition as Pre-Shipment Inspection Agency (PSIA), electronic issuance of Pre-shipment Inspection Certificates (PSICs) and electronic verification of authenticity of the PSICs with effect from 01.05.2022. In this regard, it is submitted that all existing PSIAs as recognised under Appendix 2G of the FTP are required to register online on the DGFT Website (<https://dgft.gov.in>) → My Dashboard → Register and selecting 'Register User As' - 'Pre-Shipment Inspection Agency'. The said PSIA official shall thereafter navigate to Services → Pre-Shipment Inspection → Apply for PSIA and submit required details for activation of their specific online account. Further, any application for amendment in instruments and/or areas of operation of existing PSIA may also be made online post-login as PSIA by navigating to the DGFT website → Services → Pre-Shipment Inspection → Amendment in Area of Operation/Instruments.

*For details:*

<https://content.dgft.gov.in/Website/dgftprod/c0dcb9d9-598f-44bc-bdb8-fb93eb088145/Trade%20Notice%203%20-%20Go-Live%20of%20Inspection%20Agency%20Recognition%2026%20Apr%202022.pdf>

# Food Safety and Standard Authority of India

## Info Capsule Series 12

### **Food Safety and Standards (Ayurveda Aahara) Regulations, 2022 (May 05, 2022)**

FSSAI notified the Food Safety and Standards (Ayurveda Aahara) Regulations, 2022. These regulations inter-alia provides for General requirements relating to Ayurveda Aahara, packaging requirements, restrictions on Manufacture and Sale, Labelling of Ayurveda Aahara etc. The regulations specifically provides that the labelling, presentation and advertisement shall not claim that the Ayurveda Aahara has the property of preventing, treating or curing a human disease or refer to such properties. These regulations have come into force w.e.f. May 5, 2022.

*For details:*

<https://egazette.nic.in/WriteReadData/2022/235642.pdf>

### **Food Safety and Standards (Packaging) Amendment Regulations, 2022 (May 17, 2022)**

Food Safety and Standards Authority of India issued draft regulations to amend the Food Safety and Standards (Packaging) Regulations, 2018. The amendment seeks to amend regulation 4(e) of these regulations. The said regulation provides that Products made of recycled plastics including carry bags shall not be used for packaging, storing, carrying or dispensing articles of food.

Now, regulation 4(e) is proposed to be substituted as under:

Products made of recycled polyethylene terephthalate (PET) may be used for packaging, storing, carrying or dispensing of food products as and when standards and guidelines are notified by the Food Authority. Such packaging materials shall also comply with any other national standards/regulations as applicable.

Objections or suggestions, if any, may be addressed to the Chief Executive Officer, Food Safety and Standards Authority of India, FDA Bhawan, Kotla Road, New Delhi- 110 002 or may be sent by e-mail at [regulation@fssai.gov.in](mailto:regulation@fssai.gov.in) within 60 days from the date on which this notification is made available to the public.

*For details:*

<https://egazette.nic.in/WriteReadData/2022/235826.pdf>

[https://fssai.gov.in/upload/uploadfiles/files/Gazette\\_Notification\\_Packaging\\_03\\_01\\_2019.pdf](https://fssai.gov.in/upload/uploadfiles/files/Gazette_Notification_Packaging_03_01_2019.pdf)

**Draft regulation on Health Supplements, Nutraceuticals, Food for Special Dietary Use, Food for Special Medical Purpose, and Prebiotic and Probiotic Food (June 24, 2022)**

The Food Safety and Standard Authority of India (FSSAI) has issued the draft Food Safety and Standards (Health Supplements, Nutraceuticals, Food for Special Dietary Use, Food for Special Medical Purpose, and Prebiotic and Probiotic Food) Regulations, 2022 on June 24, 2022.

The draft regulations are made in supersession of earlier regulations issued i.e. the Food Safety and Standards (Health Supplements, Nutraceuticals, Food for Special Dietary Use, Food for Special Medical Purpose, Functional Food and Novel Food) Regulations, 2016.

Objections or suggestions may be addressed to the Chief Executive Officer, Food Safety and Standards Authority of India, FDA Bhawan, Kotla Road, New Delhi- 110002 or sent on email at [regulation@fssai.gov.in](mailto:regulation@fssai.gov.in) within 60 days from the date on which copies of this Gazette notification are made available to the public.

*For details:*

*<https://egazette.nic.in/WriteReadData/2022/236891.pdf>*

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# NITI Aayog

## Info Capsule Series 12

### **NITI Aayog Welcomes Suman Bery as NITI Aayog Vice Chairman (May 01, 2022)**

NITI Aayog welcomes Shri Suman Bery as NITI Aayog's Vice Chairman with effect from May 01, 2022. An experienced policy economist and research administrator, Mr Bery will take over from Dr Rajiv Kumar as the head of the premier think tank of the Government of India. "Rajiv Kumar leaves me a dynamic organization with lots of fresh, young talent and strong links with stakeholders inside and outside the government," observed Mr Bery. "I am deeply honoured to have been entrusted with its charge at a time of great global uncertainty. NITI's challenge is to develop a vision of the way ahead based on deep analysis and wide debate, and to work with India's states, which is where economic development ultimately happens. India's economic and social choices are of significance to the entire world," he added.

*For details:*

<https://pib.gov.in/PressReleaselframePage.aspx?PRID=1821686>

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# Arbitration Law

## Info Capsule Series 12

### **Establishment of New Delhi International Arbitration Centre (June 13, 2022)**

Section 3 of the New Delhi International Arbitration Centre Act, 2019 (the said Act) empowers the Central Government to establish a body to be called the New Delhi International Arbitration Centre for the purposes of exercising the powers and discharging the functions under the said Act.

Now, the Central Government has established the New Delhi International Arbitration Centre having its head office at New Delhi with effect from June 13, 2022.

*For details:*

<https://egazette.nic.in/WriteReadData/2022/236564.pdf>

# Pronouncement

## Info Capsule Series 12

<i>Date of Judgment</i>	<i>Case Title</i>	<i>Tribunal</i>
01.07.2022	<i>Mayank Agarwal(Applicant) vs. M/s. Technology Frontiers (India) Private Limited (Respondent Company)x</i>	<i>National Company Law Tribunal (Chennai Bench) IA/2/2021 in CP/75/CHE/2021</i>

### Facts of the case:

The main petition was filed pertaining to ensuring compliance of the mandatory requirements under section 90 of the Companies Act, 2013. Section 90(1) states that every individual holding beneficial interest over the company shall make a declaration specifying the nature of interest in Form BEN-1 within 30 days of acquiring such interest. Further as per Section 90(5) of the Companies Act, 2013 the Company shall also give notice to any person when it has reasonable cause to believe and knowledge of identity of significant beneficial owner. In the present case the Company Secretary of the respondent company had sent the notice to the applicant under Section 90(5), (who is nominee director of the Respondent Company) on May 3rd, 2021 along with the form to disclose their Ultimate Beneficial Ownership of the shares held.

However, the applicant alleged that the company alone is empowered to apply to NCLT under Section-90(7) of the Companies Act, 2013 and Company Secretary has not taken approval from Board of directors to file the present petition.

The Company Secretary of Respondent Company in his written submission stated that he has the locus standi as per the board resolution passed for his appointment which clearly states that “he can perform any duties as required under Companies Act, 2013” and have the authority to enter into pleadings on behalf of company even in absence of formal board authorization. Further, he referred to the provisions of section 205 of the Companies Act 2013, under which he is authorized to represent and that it is his duty to do so.

**NCLT Observed:**

The usage of the words “Company shall give notice” under Section 90(5) makes it amply clear that the Key Managerial Personnel have to do this activity of seeking information; in order to find out the Ultimate Beneficial Owners.

NCLT further observed

“..... The era in which the Company Secretary occupied the position of a glorified clerk in Companies has expired consequent upon evolution of corporate governance and the various compliance requirement in a complex regime so as to protect the interest of the company as well as its various stakeholders.

There is no idealistic overstatement in holding that Company Secretary is required to act not only with adequate diligence while discharging his duties by sounding the knell in order to alert all concerned including the Board of Directors on occasions where he apprehends deviations from sound corporate principles and prudent governance practice in the best interest of the company and its stakeholders; he has to ensure the mandatory compliances by moving the Competent Authority, if not such compliances were failed at the behest of the Board or in the event of a lapse from the Board of Directors.”

**Held:**

The Company Secretary has acted diligently and promptly to ensure compliance of the mandatory provisions. “.....To answer the question put forward whether the Company Secretary has the locus standi to file such application we answer the same in Affirmative by virtue of the above position of law, it is fairly clear that the company can be represented by the company secretary since he is the Key Managerial Person under section 2(51) of the Companies Act, 2013, officer in default as per section 2(60) of the Companies Act, 2013 and as per the power given under section 205(1)(c ) read with Rule 10(4) of the Companies (Appointment and remuneration of Managerial Personnel) Rules, 2014, it is abundantly clear that the Company Secretary can represent before various regulators and other authorities under the Act in connection with discharge of various duties under the Act. The NCLT being a quasi-judicial authority the Company Secretary can very well do the same.” Hence, the application stand dismissed.

*For details:*

[https://nclt.gov.in/gen\\_pdf.php?filepath=/Efile\\_Document/ncltdoc/casedoc/3305118033382021/04/Order-Challenge/04\\_orderChallenge\\_004\\_165702470256911311562c430be9d3d3.pdf](https://nclt.gov.in/gen_pdf.php?filepath=/Efile_Document/ncltdoc/casedoc/3305118033382021/04/Order-Challenge/04_orderChallenge_004_165702470256911311562c430be9d3d3.pdf)

<i>Date of Judgment</i>	<i>Case Title</i>	<i>Tribunal</i>
01.07.2022	<i>Mayank Agarwal(Applicant) vs. M/s. Technology Frontiers (India) Private Limited (Respondent Company)x</i>	<i>National Company Law Tribunal (Chennai Bench) IA/2/2021 in CP/75/CHE/2021</i>

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The usage of the words “Company shall give notice” under Section 90(5) makes it amply clear that the Key Managerial Personnel have to do this activity of seeking information; in order to find out the Ultimate Beneficial Owners.

NCLT further observed

“..... The era in which the Company Secretary occupied the position of a glorified clerk in Companies has expired consequent upon evolution of corporate governance and the various compliance requirement in a complex regime so as to protect the interest of the company as well as its various stakeholders.

There is no idealistic overstatement in holding that Company Secretary is required to act not only with adequate diligence while discharging his duties by sounding the knell in order to alert all concerned including the Board of Directors on occasions where he apprehends deviations from sound corporate principles and prudent governance practice in the best interest of the company and its stakeholders; he has to ensure the mandatory compliances by moving the Competent Authority, if not such compliances were failed at the behest of the Board or in the event of a lapse from the Board of Directors.”

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***For details:***

[https://nclt.gov.in/gen\\_pdf.php?filepath=/Efile\\_Document/ncltdoc/casedoc/3305118033382021/04/Order-Challenge/04\\_orderChallenge\\_004\\_165702470256911311562c430be9d3d3.pdf](https://nclt.gov.in/gen_pdf.php?filepath=/Efile_Document/ncltdoc/casedoc/3305118033382021/04/Order-Challenge/04_orderChallenge_004_165702470256911311562c430be9d3d3.pdf)

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# Terminology

## Info Capsule Series 12

### Assortment Strategy

An assortment strategy in retailing involves the number and type of products that stores display for purchase by consumers. Also called a "product assortment strategy," it is a strategic tool that retailers use to manage and increase sales. The strategy is made up of two major components:

1. The depth of products offered, or how many variations of a particular product a store carries (e.g. how many sizes or flavors of the same product).
2. The width (breadth) of the product variety, or how many different types of products a store carries

### Bankruptcy Remote

The legal position with reference to the creation of the SPV (Special Purpose Vehicle) should be such that the SPV and its assets would not be touched in case the originator of the securitization goes bankrupt and its assets are liquidated.

### Base Effect

The base effect is the effect that choosing a different reference point for a comparison between two data points can have on the result of the comparison. This often involves the use of some kind of ratio or index value between two points in a time-series data set, but can also apply to cross-sectional or other types of data.

### Boundary Conditions

Boundary conditions are the maximum and minimum values used to indicate where the price of an option must lie. Boundary conditions are used to estimate what an option may be priced at, but the actual price of the option may be higher or lower than what is set as the boundary condition.

### **Brownfield Investment**

A brownfield (also known as "brown-field") investment is when a company or government entity purchases or leases existing production facilities to launch a new production activity. This is one strategy used in foreign direct investment

### **Business Model Canvas**

A business model canvas is a planning tool typically consisting of a single page that outlines the essential building blocks necessary to bring a business (or a product or service) to market.

### **Cross Margining**

An arrangement between and among custodial and clearing organisations to partially offset excess risk-adjusted margin deposited with one entity against margin requirements with another.

### **Decision Support System (DSS)**

A decision support system (DSS) is a computerized program used to support determinations, judgments, and courses of action in an organization or a business. A DSS sifts through and analyzes massive amounts of data, compiling comprehensive information that can be used to solve problems and in decision-making

### **Direct Public Offering**

A direct public offering (DPO) is a type of offering in which a company offers its securities directly to the public to raise capital. An issuing company using a DPO eliminates the intermediaries—investment banks, broker-dealers, and underwriters—that are typical in initial public offerings (IPO), and self-underwrites its securities.

### **Euroclear**

Euroclear is one of two principal securities clearing houses in the Eurozone. Euroclear specializes in verifying information supplied by brokers involved in a securities transaction and the settlement of securities transacted on European exchanges.

### **Environmental, social and governance (ESG) integration**

The systematic inclusion of financially material ESG factors in investment analysis and investment decisions, with the goal of enhancing long-term, risk adjusted financial returns: Environmental

- Factors that relate to the quality and functioning of the natural environment, and natural systems, e.g., carbon emissions, environmental regulations, water stress and waste. Social
- Factors that relate to the rights, well-being, and interests of people and communities, e.g., labor management, health & safety. Governance
- Factors that relate to the management and oversight of companies and investee entities, e.g., board structure, pay



### **Engel's Law**

Engel's Law is an economic theory introduced in 1857 by Ernst Engel, a German statistician, stating that the percentage of income allocated for food purchases decreases as income rises. As a household's income increases, the percentage of income spent on food decreases while the proportion spent on other goods (such as luxury goods) increases.

### **FICO Score**

A FICO score is a credit score created by the Fair Isaac Corporation (FICO). Lenders use borrowers' FICO scores along with other details on borrowers' credit reports to assess credit risk and determine whether to extend credit. FICO scores take into account data in five areas to determine creditworthiness: payment history, current level of indebtedness, types of credit used, length of credit history, and new credit accounts.

### **Gig Economy**

In a gig economy, temporary, flexible jobs are commonplace and companies tend to hire independent contractors and freelancers instead of full-time employees. A gig economy undermines the traditional economy of full-time workers who often focus on their career development.

### **Gray Box**

Gray box refers to the testing of software where there is some limited knowledge of its internal workings. Gray box testing is an ethical hacking technique where the hacker has to use limited information to identify the strengths and weaknesses of a target's security network.

### **Green Bank**

Green Banks are mission-driven institutions that use innovative financing to accelerate the transition to clean energy and fight climate change.

### **Game Theory**

Game theory is a theoretical framework for conceiving social situations among competing players. In some respects, game theory is the science of strategy, or at least the optimal decision-making of independent and competing actors in a strategic setting.

### **Herrick Payoff Index**

The Herrick Payoff Index is a technical analysis tool that tracks price, volume, and open interest to identify potential trends and reversals in futures and options markets. Traders often use the indicator as a measure of crowd psychology and to follow money flows in order to make forward-looking decisions.

### **Homogenous Expectations**

“Homogeneous expectations” refers to the assumption, expressed in Harry Markowitz's Modern Portfolio Theory (MPT), that all investors have the same expectations and make the same choices in a given situation.

### **Hull-White Model**

The Hull-White model is a single-factor interest model used to price interest rate derivatives. The Hull-White model assumes that short rates have a normal distribution and that the short rates are subject to mean reversion. Volatility is thus likely to be low when short rates are near zero, which is reflected in a larger mean reversion in the model.

### **Iron Butterfly**

An iron butterfly is an options trade that uses four different contracts as part of a strategy to benefit from stocks or futures prices that move within a defined range. The trade is also constructed to benefit from a decline in implied volatility. The key to using this trade as part of a successful trading strategy is forecast a time when option prices are likely to decline in value generally. This usually occurs during periods of sideways movement or a mild upward trend.

### **Knowledge Economy**

The knowledge economy is a system of consumption and production that is based on intellectual capital. In particular, it refers to the ability to capitalize on scientific discoveries and applied research.

### **Lambda**

In options trading, lambda is the Greek letter assigned to a variable that tells the ratio of how much leverage an option is providing as the price of that option changes. This measure is also referred to as the leverage factor, or in some countries, effective gearing.

### **NGFS**

The Network for Greening the Financial System (NGFS) is a network of 114 central banks and financial supervisors that aims to accelerate the scaling up of green finance and develop recommendations for central banks' role for climate change.

### **Retrocession**

Retrocession refers to kickbacks, trailer fees or finders fees that asset managers pay to advisers or distributors. These payments are often done discreetly and are not disclosed to clients, although they use client funds to pay the fees.

## **RIMS**

The Risk Management and Insurance Society. RIMS is a not-for-profit organization whose purpose is to disseminate and improve the effectiveness of risk management practices.

## **Survivorship Bias**

Survivorship bias or survivor bias is the tendency to view the performance of existing stocks or funds in the market as a representative comprehensive sample without regarding those that have gone bust. Survivorship bias can result in the overestimation of historical performance and general attributes of a fund or market index.

## **Sustainable Stock Exchanges Initiative (SSE)**

The SSE initiative is a UN Partnership Programme organised by UNCTAD, the UN Global Compact, UNEP FI and the PRI. The SSE's mission is to provide a global platform for exploring how exchanges, in collaboration with investors, companies (issuers), regulators, policymakers and relevant international organizations, can enhance performance on ESG (environmental, social and corporate governance) issues and encourage sustainable investment, including the financing of the UN Sustainable Development Goals.

## **Sustainable Growth Rate (SGR)**

The sustainable growth rate (SGR) is the maximum rate of growth that a company or social enterprise can sustain without having to finance growth with additional equity or debt. In other words, it is the rate at which the company can grow while using its own internal revenue without borrowing from outside sources. The SGR involves maximizing sales and revenue growth without increasing financial leverage. Achieving the SGR can help a company from avoiding being over-leveraged and financial distress.

## **Tweezer**

A tweezer is a technical analysis pattern, commonly involving two candlesticks, which can signify either a market top or bottom.

## **Troubled Asset Relief Program (TARP)**

The Troubled Asset Relief Program (TARP) was an initiative created and run by the U.S. Treasury to stabilize the country's financial system, restore economic growth, and mitigate foreclosures in the wake of the 2008 financial crisis. TARP sought to achieve these targets by purchasing troubled companies' assets and stock

## **Transnational Corporation**

A firm that tries to simultaneously realize gains from experience curve economies, location economies, and global learning, while remaining locally responsive.

### **Trimmed Mean**

A trimmed mean (similar to an adjusted mean) is a method of averaging that removes a small designated percentage of the largest and smallest values before calculating the mean. After removing the specified outlier observations, the trimmed mean is found using a standard arithmetic averaging formula. The use of a trimmed mean helps eliminate the influence of outliers or data points on the tails that may unfairly affect the traditional or arithmetic mean.

### **Vasicek Interest Rate Model**

The term Vasicek Interest Rate Model refers to a mathematical method of modelling the movement and evolution of interest rates. It is a single-factor short-rate model that is based on market risk. The Vasicek interest model is commonly used in economics to determine where interest rates will move in the future. Put simply, it estimates where interest rates will move in a given period of time and can be used to help analysts and investors figure out how the economy and investments will fare in the future.

### **VWAP**

Volume Weighted Average Price, often used in reference to the takeover premium (e.g., 15% above the 20-Day VWAP)

### **Wash Sale**

A wash sale is a transaction in which an investor seeks to maximize tax benefits by selling a losing security at the end of a calendar year so they can claim a capital loss on taxes that year. The investor's intent is likely to repurchase the security again after the start of the new year, if possible even lower than where they sold.

### **Wildcat Banking**

Wildcat banking refers to the banking industry in parts of the United States from 1837 to 1865, when banks were established in remote and inaccessible locations. During this period, banks were chartered by state law without any federal oversight. Less stringent regulations on the banking industry at the time led to this period, also being referred to as the Free Banking Era.

### **Wisdom of Crowds**

Wisdom of crowds is the idea that large groups of people are collectively smarter than individual experts when it comes to problem-solving, decision-making, innovating, and predicting. The idea is that the viewpoint of an individual can inherently be biased, whereas taking the average knowledge of a crowd can result in eliminating the bias or noise to produce a clearer and more coherent result.

### **York Antwerp Rules**

The York Antwerp Rules are a set of maritime rules that were established in 1890. Amended several times since their inception, this set of maritime rules outlines the rights and obligations of both ship and cargo owners in the case that cargo must be jettisoned in order to save a ship.

### **Yield on Earning Assets**

The yield on earning assets is a popular financial solvency ratio that compares a financial institution's interest income to its earning assets. Yield on earning assets indicates how well assets are performing by looking at how much income they bring in.

### **Zeta Model**

The Zeta Model is a mathematical model that estimates the chances of a public company going bankrupt within a two-year time period. The number produced by the model is referred to as the company's Z-score (or zeta score) and is considered to be a reasonably accurate predictor of future bankruptcy.

### **Zoning Ordinance**

A zoning ordinance is a rule that defines how property in specific geographic zones can be used. Zoning ordinances detail whether specific geographic zones are acceptable for residential or commercial purposes. Zoning ordinances may also regulate lot size, placement, density, architectural style, and the height of structures. Zoning ordinances also describe the procedures for how to handle any zoning rule infractions (including any penalties).

### **80/20 Rule**

The theory that 20% of effort produces 80% of results, and very many similar effects; also known as Pareto Rule or Pareto Principle, after its originator.

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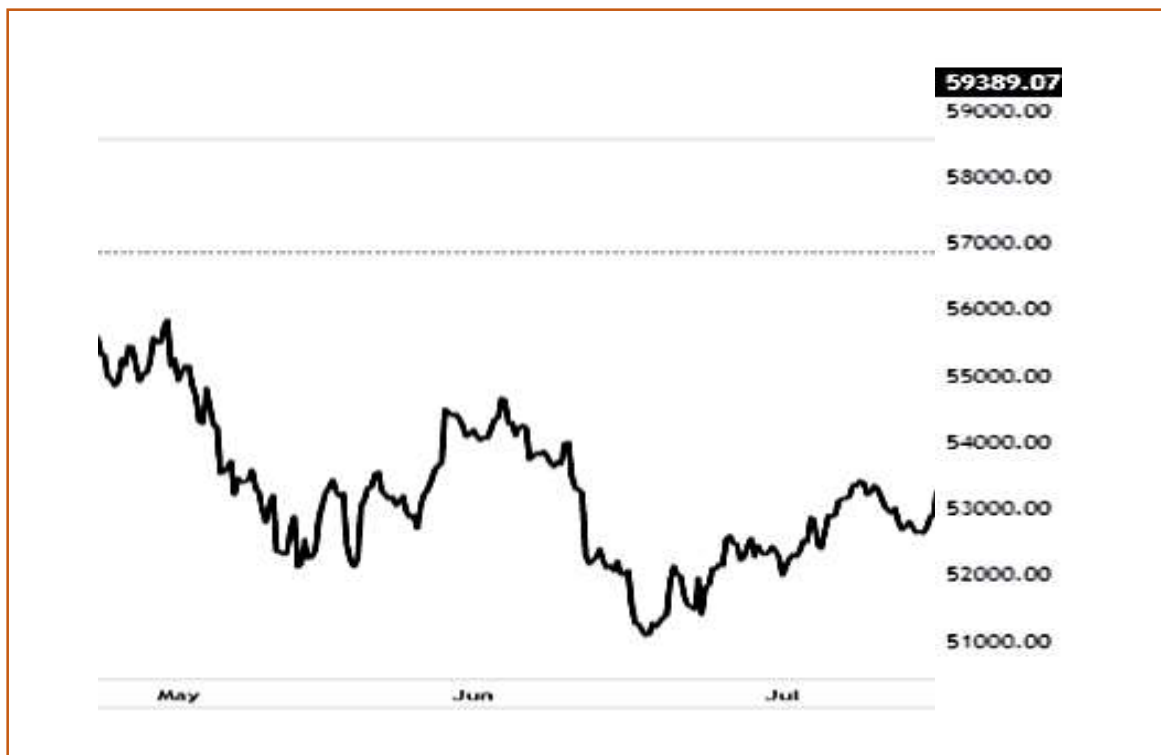
# Market Watch

*Info Capsule Series 12*

## Stock Market Indices

### S & P BSE Sensex

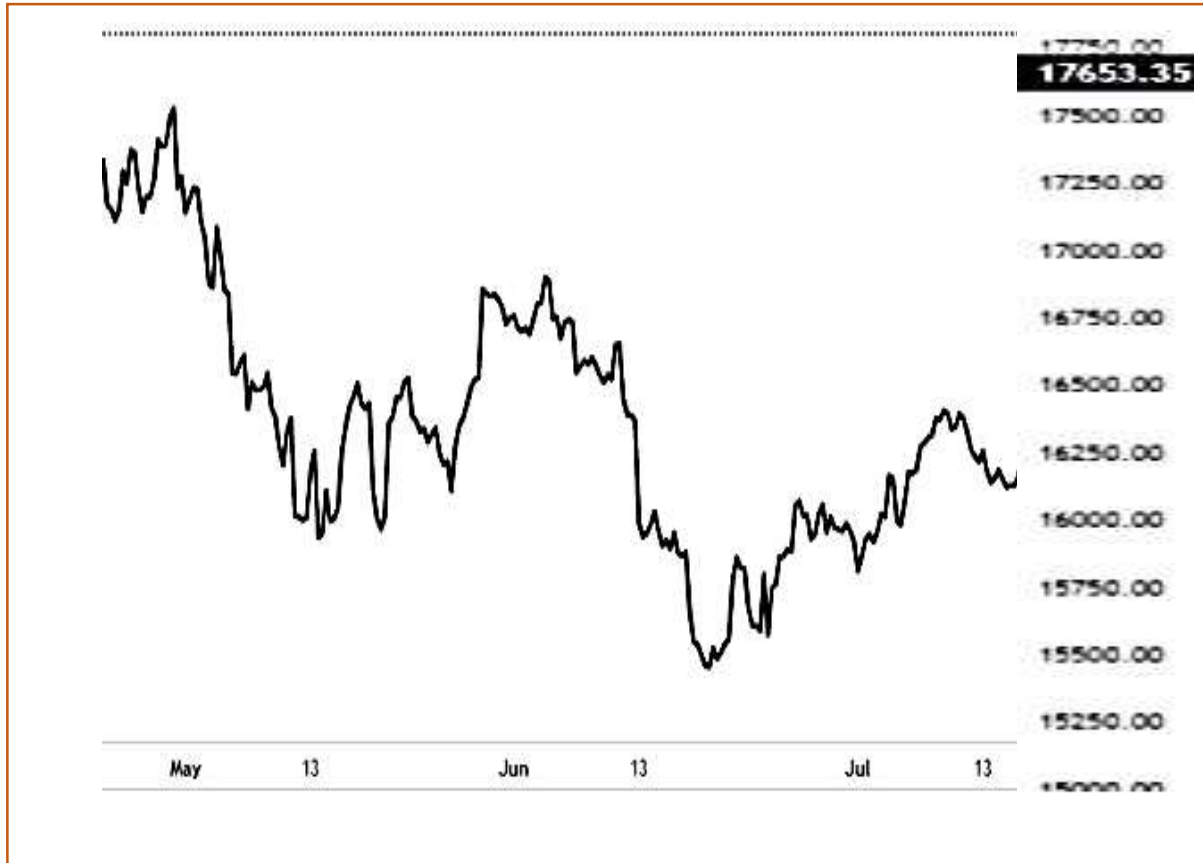
(April 25, 2022 - July 13, 2022)



# Stock Market Indices

## Nifty 50

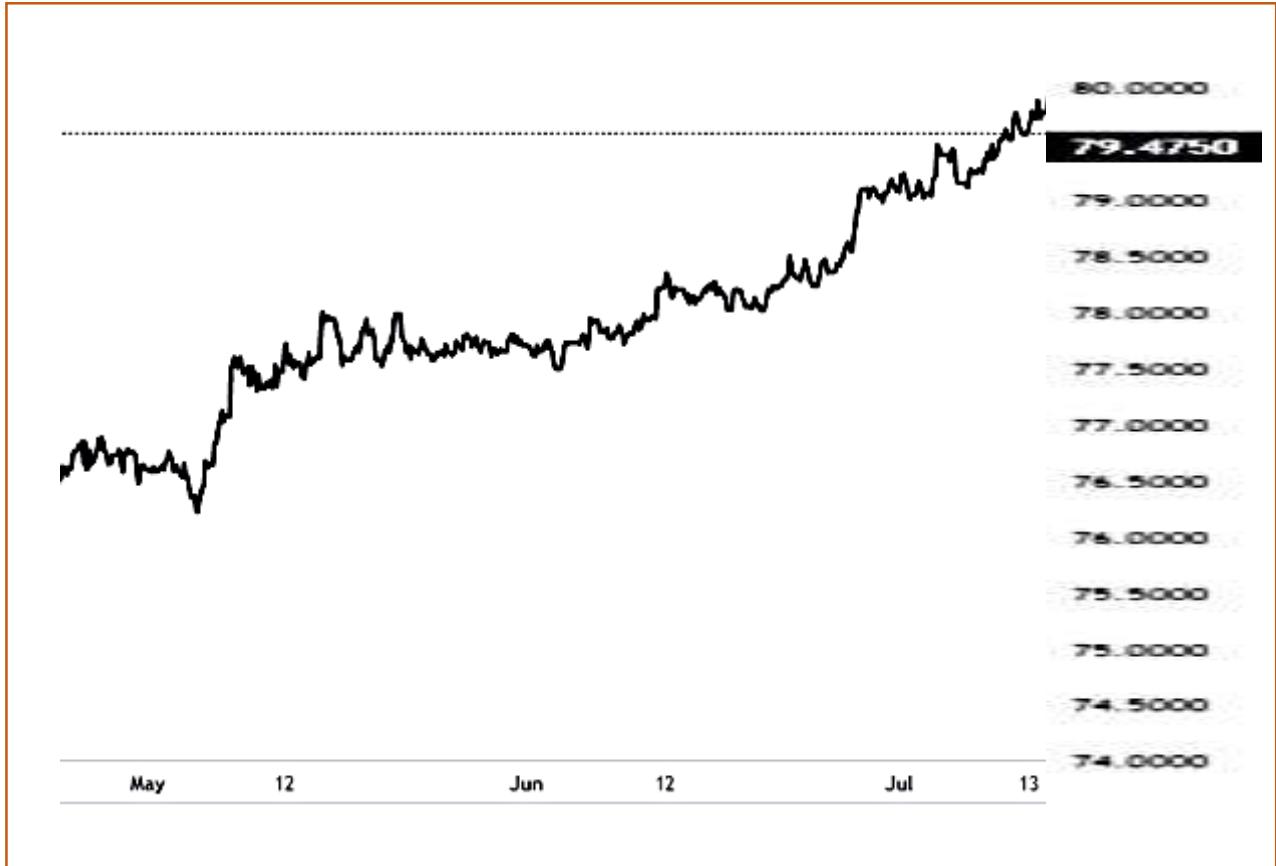
(April 25, 2022 - July 13, 2022)





# Foreign Exchange Rates USD

(April 25, 2022 - July 13, 2022)



# Foreign Exchange Rates

## EURO

(April 25, 2022 - July 13, 2022)



# Foreign Exchange Rates

## JAPANESE YEN

(April 25, 2022 - July 13, 2022)



# Foreign Exchange Rates

## GBP

(April 25, 2022 - July 13, 2022)



## Motto

सत्यं वद | धर्मं चर।  
इष्टकारं कुरु। अविद्वेष्टं कुरु।

## Vision

"To be a global leader in promoting  
good corporate governance"

## Mission

"To develop high calibre professionals  
facilitating good corporate governance"



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Company Secretaries of India**

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