EVERYTHING THAT CONCERNS YOUR MONEY

THE GREEN DIGEST

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TERRORISM

INHUMANITY FUNDED BY HUMANS

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Inhumanity by humans, against humans, to destroy humans – Who funds terrorism and how do the terror networks operate?

Prologue

Money – a medium of the transaction to exchange goods and services, that's how our textbooks define it. We are often preached how human life is all about happiness, sorrow, excitement, love, success and other human emotions which are beyond the materialistic things in the world that money can't buy. While it's true that money can't buy emotions, it is also a reality check that its presence or absence largely affects us, blame the lifestyle that we live today. A bad photograph can spoil our mood and a good evening snack can change everything back to normal. There's no doubt that our ancestral preachings genuinely teach us the right thing, however, there's a real doubt over "Are we choosing to do the right things these days?"

There's a strange correlation between the graph of money and inhuman activities around the world – they both go in the same direction. The more economically driven we become, the more we are adulterated with an inhuman mindset. In a bid to live a better lifestyle, we often destroy the lives of many others, creating an unequal society. Those unprivileged people either resort to inhuman activities by choice due to their life experiences and inequality they faced; or are forced to choose the same when left with no other way to access necessities. Not directly, but ultimately, somehow these same people affect the lives of those who had earlier treated them unequal, and thus, that's how the cycle of life is completed. As you sow, so shall you reap!

Inequality leads some people to poor living, and some others to extremism, and there are all kinds of extremists in this world, however, only when fueled with money, they become poised to destroy the world. Money gets their weapons, from those who want to earn even at the expense of others.

Weapons, in turn, gets them everything else – food, shelter, secured areas, training grounds and everything else – either through money or at gunpoint. If they don't find men and women, they simply traffick them. If they don't find support, they simply kill them. Money can't buy peace, but certainly, money can destroy it.

Backdrop

After 20 long years of struggle, war and politics, the United States moved out of Afghanistan. It was expected the country would be once again vulnerable to terrorists, however, nobody expected it to be so fast. Within a month, the entire country is under the control of extremists - with whom the superpower of the 21st century fought for 20 years and yet they survived. They outnumbered and outpowered the Afghanistan Government and no country dared to fight them. This explains how powerful they have been and how well equipped and funded they have become.

When you think of travelling, there are various expenses involved, though you are a citizen and a taxpayer. Imagine the same trip under a pseudonym, with fake documents, secret plannings and carrying dangerous weapons. You would need a lot more money than your usual trips and be well informed and trained to handle situations. Thus, terrorism cannot survive without proper financing and cutting down the funding sources of such terror groups can fetch better results than waging war with them. This leads us to question where do they earn from and how do they operate their network?

How do terrorists source funds?

Our legal currencies are issued by Government and the Government somehow traces our money. While citizens try to sweep some money under the carpet, the tax departments usually catch up and trace the money back to us. However, the same currency not only reaches the terror group but also becomes untraceable. Certainly, the terror groups know a lot more about our currency and the government than we citizens stay abridged of which makes it possible for them to obtain, transact and yet stay untraceable.

Trading in illegal products

There are various products that Governments ban in their countries owing to the same causing vulnerability to people's health such as drugs, liquor, etc. or their lives such as trafficking, weapons, etc. However, trading, smuggling and trafficking continues in underground markets. Many people in an attempt to earn money enter into such activities. As long as there is demand, there will be supply. The demand isn't from terrorists – but from common people desirous of going beyond the legal boundaries to fulfil their thrills. Terrorists have used these products as their means of earning. Since the entire network operates underground, the money they source from here becomes untraceable.

Afghanistan is the world's largest producer of opium which is refined to produce heroin. It is estimated that annually USD 1.5 billion to 3 billion worth of opium is exported from Afghanistan across the world. The sheer value of the transaction explains how big this network is and yet they operated without being detected by the Government. Terror groups often employ local people to produce or procure such products from them. They even allow the people involved to profit from the same, thus gaining not only the product they need but also the loyalty of such people. It's almost the equivalent of Government for those people.

Geopolitical and personal donations

An opinion is a big thing in our world – right from Sports franchises to Religious beliefs, people have an opinion on everything. Your right may be wrong according to someone else and vice versa. While a healthy debate is good for humanity, some people take their beliefs to extremism. People influenced by the ideological beliefs of certain terror groups often donate money and even help such groups. However, a bigger chunk of the donations comes from political rivalry – nation against nation, religion against religion, and a belief against a belief. Those with power and money, in a bid to outpower the others in the competition, often donate to the terror groups to achieve their own end goals through them. Otherwise, access to weaponry wouldn't have been possible for terror groups. However, on top of all donations sits the donation of people who influenced by ideologies of the terror group donate their knowledge and support to groups – helping them plan and propagate their activities.

Taxes from areas under control

Terror groups have the power to control and create fear. While their activities are inhuman, their method of operation is similar to Governments, as they create leadership, departments, responsibilities and accountability. They often exercise their control over areas and collect taxes from the people living there, just like the Government, except that there's a threat to your life if you don't pay while there is a democratic process in the case of the Government.

Mines and minerals

Often terror groups gain control over mines and control the production of minerals from the same. In such cases, all the minerals produced are smuggled to different countries where businesses buy the same illegally or are sold without the knowledge of the source. This is another way for terror groups to generate funds for their activities.

Frauds, phishing and threats

Terror groups also operate online phishing scams and fraudulent activities whereby they collect information through various means and use the same to gain access to financial assets. People are lured into various activities and often lose access to their accounts and money online. Threat calls to the powerful and rich have been a traditional way of getting the money, however, the same occurs on a lower scale in recent times, owing to the emergence of other ways of generating funds.

Routing and laundering of money

Merely generating money is not enough for running all the operations. It is important for the terror groups that money can be transported where it is required. This is where false financial companies and fake businesses are created and used to route money to its destination or launder the illegal money into the legal system and thereon use the same. Historically, smuggling of gold and currency was the means, however, with stricter Government controls over the boundaries and entry-exit points, the same is not feasible.

Hawala dealers take up most of the burden of exchanging currencies and making money available where required. They gain access to such money through the common public who aren't aware of the possible end use of such money in hands of such people. On the other hand, hawala dealers do it to earn their living, and at times, they may not be even aware of the person they are dealing with.

Terror groups have found innovative ways in forming Non-Government Organisations (NGOs) that collect donations from the public and are liable to lesser Government oversight. Thus, the necessary funds required are received in terms of donations and routed for the necessary purposes.

Cryptocurrencies like Bitcoins are the newest way of laundering money and routing them. Since the Governments do not have any control over the same, there have been many allegations in the past decades that the money is laundered and circulated illegally through the network.

The Bottom Line

The activities of the terror groups are inhuman. However, in the world we live, it is impossible to live, travel, or carry out any activity without money. Rich people have more access to material things and also makes them powerful enough to exercise influence in various spheres of life. Similarly, the more funding the terror group gains access to, the more powerful they become.

The currency which is created by Government and circulated amongst noble citizens shouldn't ideally reach the terror groups unless people are scammed or knowingly aid the same, for their benefit. Weapons and the material required to manufacture them are usually under Government control and not accessible to everyone, and yet the terror groups gain access to the same – only because someone helps them in gaining access – some human.

Terror groups cannot operate absolutely on their own. Either they get voluntary support from people in exchange for favour or money or extract support by intimidation. Hawala dealers, underground market groups, financiers, smugglers, powerful and rich people, and many others who help the terror groups in carrying out their work are all humans – helping to get some benefit for themselves, though not directly involved in the inhuman activities, are equally responsible for the results. This is something that the human group needs to understand and avoid, to defeat the inhuman group. Until then, terrorism continues to be the inhumanity funded by humans!

Why are Gold Jewellers protesting new hallmarking rules?

By Amit Chandak, Associate Director, Greenvissage

Prologue

A man in Kerala was recently arrested by the Customs for smuggling gold in a rather novel way – he had 'painted' gold worth INR 14 lakhs in the inner layers of the jeans that he was wearing, in a paste form. That speaks for Gold and its royal properties, and of course the innovative smuggling methods.

Gold has been traditionally the most preferred long term investment for Indians. While wearing a glittering ornament is an elite feeling, the safety that gold provides to your wealth is impeccable and the real underlying reason for such heavy preference across centuries. Gold reserves are limited, thus, it derives its value from its demand against its supply. Since the mining of gold has been on a decline over the past decades, the value of this precious metal has been rising. Being high in density, the gold carries a lot of value occupying very little space, making it easy to carry and store. Think of it as carrying or storing 1 kg of gold as compared to its value i.e. ~50 lakhs in currency notes – clearly gold is much safer. Besides, Gold is a noble metal that does not corrode owing to chemical reactions, unlike other metals. It is the most non-reactive of all metals and benign in all natural and industrial environments. This makes it easier for people to pass on the same across generations, as compared to land property whose ownership Government records control and legal tender which are in absolute control of the Central Bank and can be devalued sometimes, merely by rogue Government order.

Once mined and sold, gold is easy to carry, store and even smuggle or hide. You can keep it in secret chambers unopened for decades and still find it glittering years later. Since its price is not controlled by Government, it is safe for ultra long term wealth accumulation. That's why buying gold has been the most common method for storing unaccounted black money, not only providing protection to wealth but also keeping it safe from the clutches of the tax departments and the Governments.

To enable the same, the entire value chain of Gold sellers have a 'Kachha' system running parallel to the 'Pakka' system where you can buy gold using your unaccounted money. For a long time, the Governments have failed to bring the unaccounted money in the form of gold, back into the economic system, to collect taxes on the same, however, the latest change in hallmarking rules is making a hard attempt to put an end to the 'Kachha' system, forever!

Backdrop

Gold can be easily adulterated and its purity can be tampered with without the general public noticing it while buying. In the 1990s, fraudulent activities were on the rise and the trust in gold was declining steeply. Thus, to protect the interests of the buyers, the Government of India had introduced Hallmarking scheme in the year 2000 which allowed the jewellers to depict that the gold they were selling is of legal standards of purity as mandated by the Bureau of Indian Standards (BIS). A similar scheme was introduced for silver in the year 2005. It helped the buyers gain trust in the item they were buying and thereby, the jeweller as well. However, the same is voluntary – meaning the jewellers have a choice whether they wish to be a BIS authorised jeweller or not. Only BIS authorised jewellers can sell hallmarked jewellery that certifies the purity of the gold content in it. As of March 31, 2020, the total number of jewellers registered with BIS is 30,626 who can sell hallmarked jewellery. Similarly, the number of Assaying and Hallmarking Centre (AHCs) which are laboratories to test the purity of the bullion items, as of March 31, 2020, is 915. These numbers have grown only in recent years with an increase in consumer awareness, as 490 AHCs were set up only during the last 5 years.

In November 2019, the Government announced that hallmarking of gold jewellery would become mandatory from January 15, 2021. However, the deadline was extended to June 1, then to June 15 whereby 256 districts were selected for the first stage of implementation. After negotiating with the bullion associations and federations, the date was further extended to August 31, and following the widespread protests and strike on August 23, this date is now further extended by three months to November 30. All India Gem and Jewellery Domestic Council (GJC) remarked that the new rules could cause 'huge unrest in the country'.

Hallmarking ensures transparency and boosts trust in the trade of bullion items, and yet the jewellers have been protesting or trying to defer the mandatory implementation of the hallmarking scheme. The reaction of the industry might seem odd to you, until you unearth the hidden reality of the situation, amongst other genuine causes of concern.

What is Hallmarking of jewellery?

Hallmarking is simply a quality certificate issued by the BIS guaranteeing the purity of gold in a certain piece of jewellery. The certificate is issued to all registered jewellers based on purity tests at BIS approved centres. The jeweller has to get his store registered with the BIS to become an authorised jeweller. Besides, all items of jewellery would contain a BIS hallmark logo denoting its purity. The BIS officers often conduct visits to jewellery stores and sample check items for the authenticity of the details mentioned on jewellery and compliance with other rules and regulations.

Why is Hallmarking important?

Before Hallmarking, consumers did not have any surest way of determining the purity of gold in their jewellery. The hallmark serves as credible proof of the quality and purity of a gold item as it ensures that the same conforms to international and national standards of purity and fineness. It protects the public against contamination and also compels the gold jewellers and manufacturers to maintain legal standards of fineness and purity.

Since Gold is usually bought for long term purposes, historically it has been difficult for retail buyers to prove the purity of the gold when redeeming the same. While buying the jeweller may sell it as 24k or 22k gold. However, the same gold when redeemed years later is denoted to be of inferior quality by another jeweller. As Gold does not deteriorate even after decades, the consumer has no idea whether he was duped while buying or while selling. Hallmarking serves as a certificate of purity and can easily be relied on by the consumers as well as the jewellers when the jeweller is being redeemed. Besides, a person can sell jewellery to another person and the hallmark serves as the trusted basis of evaluation. So, whether you buy gold jewellery, coins or anything else, is it essential that you always go for hallmarked items.

What is HUID in Hallmarking?

At the root of the entire confusion about new rules has been 'HUID'. The jewellery industry has welcomed the move towards mandatory hallmarking, however, the new HUID regulations have caught them by surprise.

HUID is a proposed unique code to be given to every piece of jewellery at the time of hallmarking. The code will help in identifying the jeweller and the Assaying and Hallmarking Centres (AHCs) who had hallmarked the jewellery. The HUID will be a six-digit alphanumeric code tagged on every piece of jewellery. The number shall be unique for the country and centrally managed with a database.

Why is HUID a concern?

With HUID, the Government can easily track every piece of jewellery in the country. A piece of jewellery may change many hands and travel across different parts of the country, and still the details of the jeweller and the AHC who initially hallmarked the jewellery can still be traced from the same, thanks to the unique code tagged to it. Vice versa, since all jewellery items would be numbered with HUID centrally, the details of jewellery hallmarked by each jeweller would be available with the Government agency. This ensures that all the future buyers and sellers of the jewellery after HUID tagging can be traced whenever the Government wants to and this directly affects the 'Kachha' system.

Post 100% HUID implementation, when the tax department raids a taxpayer and finds unaccounted jeweller, it can trace the original and every other seller of the jewellery and ask them to disclosure how they happen to be in possession, the consideration paid, the payment receipts and the source of such money. If the money is found to be unaccounted for, tax notices and penalties could follow. Similarly, a jeweller will have to mandatorily reconcile his total sales during the year with the total jewellery hallmarked during the year. Any difference apart from adjustment on account of opening and closing inventory could result in tax penalties. Besides, any gold being smuggled can also be traced to the original jeweller who could be held accountable to explain or reveal the details of its buyers. HUID can also help in tracing gold held by criminals and terrorists to its original buyer and thereby, investigating the chain of people in between.

This can disrupt the entire 'Kachha' system and jewellers would be at the centre of the accountability. While jewellers would be happy to help in tracing the criminals and terrorists, they also fear being held responsible for the inhuman activities without being a part of it and the red-tapism which may follow the same. Besides, most jewellers only help the general public to buy with their unaccounted money and such tracing can shrink their customer base, as people may not prefer buying gold items with the same magnitude or volume, as they have done historically.

That said, all of the above is a long way from today, as Government firstly has an ardent task of widespread implementation of rules and establishment of such infrastructure to enable tracing, using the public machinery and dealing with people who won't give up easily. So, HUID is only the initial step of sowing the seeds, as continuous watering would be required for years before the tree finally bores its fruits.

What are the genuine hardships?

Firstly, the jewellers will have to report the HUID to the Government agency. Thus, there's not just a whole new world of accountability, but also added work of continuous reporting and reconciling. Secondly, the pace at which jewellery is hallmarked in our country does not match the manufacturing of the same by far. There is an immediate need for infrastructure to fill up the gap between 10-12 crore pieces produced every year and 7 crore pieces annual hallmarking capacity. Besides, there is already a huge pile of 6-7 crore jewellery items waiting to be hallmarked. Every extra day taken for hallmarking is a loss for the jeweller. Thirdly, the hallmarking process is manual and there's no new announcement so far to make the same automatic. The manual process may result in duplication of numbering and it leads to bigger confusion than attending to the elephant in the room. Jewellers have also raised various other concerns such as unclarity of rules concerning re-registration when the piece of jewellery is customised or slightly altered, as the hallmarking system is already over-burdened. If a customer wants a 24-inch chain to be reduced to 20 inches, an in-house technician usually handles the request immediately, however, with new rules, it won't be possible to provide the same immediately and may have to undergo re-hallmarking before handing it over to the customer.

Who is exempt from hallmarking?

The Government has announced the following exemptions from hallmarking rules, to provide relief from the hardships:

1. Jewellers with annual turnover up to INR 40 lakhs are exempt from mandatory hallmarking.

2. Hallmarking is currently mandatory only in 256 districts out of 715 districts in India. The new rules are to be implemented in a phased manner.
3. Gold embedded in an item such as watches, fountain pens and other special types of jewellery like Kundan, Polki and Jadau is also exempted from hallmarking.
4. Export and re-import of jewellery as per Trade Policy of Government of India for international exhibitions, government-approved B2B domestic exhibitions are also exempt from hallmarking requirements.
5. Artisans or manufacturers who manufacture the gold jewellery on a job work basis for the jewellers and do not directly sell jewellery to anyone are exempted from obtaining a license.
6. Jewellers are allowed to buy back old un-hallmarked jewellery from customers until the new rules come in force.
7. Alteration in the Hallmarked jewellery up to 2 grams of increase or decrease is allowed with the responsibility of purity on the jeweller, without the need for re-registration.

Important points for Gold buyers

If you are looking to buy gold, the following is some important information you should keep in mind to avoid being duped:

1. Gold is available in 24 carats, 22 carats, 18 carat and 14-carat forms. Carat is the measure of the purity of gold. 24-carat gold is the purest form of gold, however, the same is malleable and therefore, jewellery is usually in 22-carat form. Gold bars, biscuits and coins can be of 24 carats. Carat is denoted by 'K', for example, 24k.
2. The price of gold is per gram. However, the traditional method of measurement in India has been 'tola' where 1 tola is equal to 10 grams. The prices of gold, even at jewellery shops, changes every day. And there are different prices for gold according to its purity. So, purity of gold, price of that category and the weight of the gold are things you must know before you pay the jeweller.
3. Modern jewellery also includes artificial and designer items such as pearls, to complete the overall look. Thus, the total weight of jewellery (Gross weight) would be higher than the weight of gold (Net weight) in it. In such cases, the jeweller usually provides the breakup of gold and other components (tagged to the jewellery) and charges market rates for the gold portion and additional charges for other items.
4. Jewellers also add making charges for the designing, making and customizing the gold jewellery which ranges widely between 3% to 25% according to the design of jewellery. This can be a fixed charge per piece or variable based on the gold value of the jewellery, or variable based on the total value of the jewellery. Jewellers often offer discounts on the making charges and thus, this is your room for negotiation in pricing.
5. The GST rate on Gold is 3% on the final value of the gold item including its making charges, irrespective of its form whether jewellery, bars, biscuits or coins.

6. Always buy hallmarked items. Currently, hallmarking is not mandatory for all items, however, it may become mandatory soon. To ensure the purity of the gold in any bullion item, look for a hallmark sign on it which consists of four details - the triangle mark of BIS (Bureau of Indian Standards), the caratage and fineness (e.g. 22K915, 18K750, 14K585 where 22k, 18k and 14k is caratage while 915, 750 and 585 is fineness), the mark of the jeweller, and the mark of AHC who hallmarked the jewellery.
7. If you are suspicious of the Gold jeweller, you may ask for his BIS license. Usually, the BIS license is displayed in the store, as the same is mandatory as per the BIS rules. Importantly, check the address of the store on the license if the same matches with the actual address.
8. You can also check the purity of jewellery by yourself, simple by visiting an authorised Assaying and Hallmarking Centre (AHC), by paying a small fee. The list of AHCs is available on the BIS website www.bis.gov.in. It also enlists the suspended AHCs whose license has been cancelled. After testing, the AHC issues a report giving details of the purity of the gold. Hallmarking charges cannot exceed INR 35 + GST per piece. The same was silver items is INR 25 + GST per piece.

The road ahead

New rules usually face resistance – people usually do not like changes as it brings more hardships in the initial phase, even if the end goal promises fairness and justice. Also, there are always some genuine hardships which most often Government isn't even aware of, or fails to address in the initial set of rules; see GST law for example where so many abrupt changes have been made over the past 4 years or the new income tax website, as the latest example. Besides, there are always some powerful juntas working in rhythm who ensure their interests are fulfilled before the new laws kick in. Overall, the new laws promise a better world for the citizens, however, there are miles to go before the Government can rest!

Government Policies

- The Government has unveiled a new four-year National Monetisation Pipeline (NMP) targetting an inflow of INR 6 lakh crore by unlocking value in brownfield projects. The Government has decided to engage the private sector by transferring the revenue rights in assets while keeping the ownership in the projects. The funds so generated are expected to be used for infrastructure improvement across the country. The assets include roads, railway stations, train operations and tracks, power transmission lines, hydroelectric and solar power assets, fibre assets and towers in the telecom sector, natural gas pipelines and petroleum product pipelines. The government has already monetised 1,400 km of national highways worth INR 17,000 crore. Besides, 15 railway stations, 25 airports and the stake of the central government in existing airports, 160 coal mining projects, 31 projects in 9 major ports, 210 lakh MT of warehousing assets, 2 national stadia and 2 regional centres, will also be up for monetisation.

- The Comptroller and Auditor General (CAG) has filed a report on the Uttar Pradesh Government's arrangements for the Kumbh Mela 2019 in Prayagraj. The report presented by Principal Accountant General B. K. Mohanty highlights that there are irregularities under various headings from payments for tents and temporary structures to the procurement of temporary toilets, the installation of LED lights and the use of funds from the Disaster Relief Fund. According to the report, about INR 42,000 per unit was spent on procuring temporary toilets, despite these being worth about INR 36,500 per unit. Further, no standard was set by the government for works done in preparation for Kumbh 2019. Third-party inquiries conducted into the works were not provided to the investigating agency.

- The Inland Vessels Bill, 2021 has been passed by the Parliament. The bill aims to replace over 100-year old Inland Vessels Act, 1917 and brings a new era in the inland water transport sector. The Government aims to make the legislative framework user-friendly and promote ease of doing business. According to the Ministry of Ports, Shipping and Waterways, the new law shall allow harmonized and effective regulation and safe seamless navigation.

- In a surprising move, Finance Minister Nirmala Sitharaman tabled a new law 'The Taxation Laws (Amendment) Bill, 2021' to give up the Government's infamous retrospective taxation and thereby, nullify the INR 1.1 lakh crore tax demands. The move is expected to restore the trust of Foreign Companies investing in India, as the Government remarked it as moving focus to 'future growth'.

- Telecom Regulatory Authority of India (TRAI) has released its document containing recommendations for the Government to enhance broadband connectivity in the country. One of the key suggestions includes fixing the minimum download speed for broadband connectivity at 2 Mbps which is four times the existing minimum speed of 512 Kbps introduced back in 2014 as an upgrade to the earlier 256 Kbps speed. TRAI has also recommended that the government should speed up fixed-line broadband rollout in rural areas by reimbursing 50% of the monthly subscription charges.

- Finance Minister Nirmala Sitharaman has launched Enhanced Access and Service Excellence

(EASE 4.0) to bring reforms for Public Sector Banks (PSBs) for clean and smart banking. Industries have the option of raising funds even from outside the banking sector, as banks themselves are raising funds through various avenues.

Goods and Services Tax

- The Ministry of Finance (MoF) has extended the last date to avail the GST amnesty scheme under which taxpayers have to pay a reduced fee for delayed filing of monthly returns, by three months till November 30. This is applicable for the tax periods from July 2017 to April 2021 if the return is furnished between 01.06.2021 to 31.08.2021.

- Taxpayers who have not filed GST returns for two months or quarters up to June 2021 are now blocked from generating e-way bills from August 15. The Central Board of Indirect Taxes and Customs (CBIC) had earlier suspended the blocking of e-way bill generation for non-filers of GST returns, as relief during the pandemic.

- Pankaj Chaudhary, Minister of State for Finance, has mentioned in a written reply to Rajya Sabha that the GST officers have detected tax evasion of INR 7,421 crore in the April-June period of the current fiscal, of which INR 1,920 crore have been recovered. In 2020-21, INR 49,384 crore tax evasion was detected in 12,596 cases and INR 12,235 crore have been recovered so far. In 2019-20, INR 40,853 crore tax evasion was detected in 10,657 cases of which INR 18,464 crore have been recovered.

- Authority for Advance Ruling (AAR), Karnataka bench, has ruled in the case of Juzi Fruits that if fruits have been sliced and diced and served to customers in sealed bowls, they will attract GST at 5%. Two years ago when Bollywood actor Rahul Bose had tweeted about steep charges of INR 442.5 (including GST) for two bananas at a five-star hotel in Chandigarh, the GST authorities had imposed a fine on the hotel as fruits do not attract GST. Thus, fresh fruits served as is, do not attract GST, however, if sliced and packed would attract GST.

- Authority for Advance Ruling (AAR), Karnataka bench, has ruled that supply of e-vouchers by sales promotion companies to other companies is liable to levy of GST at the rate of 18%. The bench ruled that e-vouchers are not an actionable claim as the entitlement of redemption is transferred or delivered to the purchaser at the time of supply of vouchers by the applicant to its clients. The bench also held that as the applicant is not aware of the date of redemption of the vouchers, the time of supply would be the date of filing of GSTR-1 return which could be quarterly or monthly.

- Authority for Advance Ruling (AAR), Maharashtra bench, in a recent ruling, in the case of Nagpur Waste Water Management Private Limited, has ruled that 'tertiary treated water' is taxable under GST law at the rate of 18%. According to the bench, the water received by the company is obtained after treatment of sewage water and is not potable and the company removes contaminants from sewage water, purifies it and makes it useful for industrial purposes, thereby, providing value addition and hence, the same is a taxable service.

- Authority for Advance Ruling (AAR), Gujarat bench, has ruled in the case of Global Gruh Udyog that Papads will attract nil GST. According to the bench, the Papads with the advancement of technology, have been given way to different shapes and sizes, however, they are similar in respect of the ingredients, manufacturing process and use and thus, will be papad classified at HSN 19059040. The company produces puri papad, unfried papad and other varieties such as jeera, red chilli, green chilli, rice and moong dal.

- Authority for Advance Ruling (AAR), Gujarat bench, has ruled in the case of Tata Motors that tax need not be collected on the amount paid by employees for canteen facilities by employers if only a nominal amount is recovered from employees.

- Authority for Advance Ruling (AAR), Tamil Nadu bench, has ruled in the case of Krishna Bhavan Foods and Sweets that Ready-to-cook dosa, idli, porridge mix, etc sold in powdered form are taxable at 18%, even if the GST rate is 5% when sold as a batter. According to the bench, the products sold by the entity were all food preparations in the form of powder and thus, were not covered along with the batter.

- Authority for Advance Ruling (AAR), Andhra Pradesh bench, has ruled in the case of Vijayavahini Charitable Foundation that supply of drinking water to the public through mobile tankers or dispensers by a charitable organisation is taxable at 18% under the GST, since the organisation is supplying purified water and thus, not eligible for exemption. The Organisation supplies groundwater after undertaking purification through Reverse Osmosis to the general public either through the dispensing unit or mobile tanker.

(For queries or more information relating to GST, contact our colleague Ashish Gandhi at ashish.gandhi@greenvissage.com)

Income Tax

- Finance Minister Nirmala Sitharaman has expressed deep disappointment over the new income tax portal for not being implemented fully, even as two months have passed by after launch. The Finance Minister has given Infosys time till September 15 to resolve all issues. Meanwhile, Delhi High Court has remarked that the public at large should be asked to use the new income tax website only after it has been tested prior in time on a sufficiently large sample base of assessees.

- The Central Board of Direct Taxes (CBDT) has notified the rules regarding the taxation of the interest on Employees Provident Fund (EPF) contributions beyond the exempted limit. According to the notification, separate accounts within the provident fund account shall be created from the FY 2021-22 and contributions made till March 31 will be considered non-taxable contributions, and interest will be separately calculated on the two EPF accounts – taxable and non-taxable portion. Budget 2021 had announced that interest on Employees' Provident Fund (EPF) and Voluntary Provident Fund (VPF) contributions above INR 2.5 lakh would be taxable.

- Central Board of Direct Taxes (CBDT) has extended various deadlines for filing income tax returns, as the new portal suffers from various glitches. The new due dates are as follows:

  1. The application for registration or intimation or approval in Form 10A or under Form 10AB, required to be filed by June 30, earlier extended to August 31, now extended to March 31, 2022.
  2. The Equalization Levy Statement in Form 1 for the FY 2020- 21 required to be filed by June 30, earlier extended to August 31, now extended to December 31.
  3. A quarterly statement in Form 15CC to be furnished by an authorised dealer in respect of remittances made during the quarter ending June 30 and September 30, can be furnished up to December 31.
  4. Intimation to be made by Sovereign Wealth Fund in Form II SWF for the quarter ending on June 30 can now be filed by November 30 and for the quarter ending September 30, can be filed by December 31.

5. Declarations in Form 15G / Form 15H can now be uploaded by December 31.
6. Intimation by Pension Funds in Form 10BBB for the quarter ending June 30 can be filed by November 30 and for the quarter ending September 30 can be filed by December 31.
7. Intimation in Form 3CEAC, 3CEAD, 3CEAE can now be submitted by December 31.

- In few reported cases, individuals who filed returns after July 31 have been charged with a late fee of INR 5,000 under Section 234F of the Income Tax Act, 1961. It has been clarified that the penalty has been charged erroneously as the due date for filing returns for individuals was extended to September 30. It is recommended to file an online rectification request for a refund of such excess fees paid if any.

- The Income Tax Department has urged taxpayers to send an online response to pending inquiries on the income tax portal to allow faster processing of pending refunds for FY 2019-20.

- The Central Board of Direct Tax (CBDT) provision related to the Income Tax Authority for Advance Ruling (ITAAR) shall be effective from September 1. The CBDT has notified the three Boards of Advance Ruling which has its two headquarters at Delhi and one at Mumbai. Advance Ruling is a written opinion or decision by a competent income tax bench empowered to understand the tax implications of a proposed business transaction. The high-level body headed by a retired judge of the Supreme Court is set up and is empowered to issue rulings binding on both the income tax department and the applicant taxpayer.

- JB Mohapatra has been appointed as the new chairman of the Central Board of Direct Taxes.

- The income tax department has issued three email ids to address grievances under the faceless assessment scheme. The email id for faceless assessments is samadhan.faceless.assessment @incometax.gov.in , for faceless penalty is samadhan.faceless.penalty@incometax.gov.in and for faceless appeals is samadhan.faceless .appeal@incometax.gov.in. Under the faceless assessment system, the taxpayer is not required to visit the income tax department or meet officials in person, for income tax assessments, instead the same is conducted through written engagements.

- The Government has so far collected INR 53,684 crore from the Direct Tax Dispute Resolution Scheme Vivad Se Vishwas.

(For queries and more information relating to Income Tax, contact our colleague Sneha Halder at sneha.halder@greenvissage.com)

Corporate Laws

- The Ministry of Corporate Affairs (MCA) has said that the credit that businesses earn for spending on corporate social responsibility (CSR) beyond their annual obligation shall lapse if the same is not adjusted against the spending requirements in the subsequent three years. In January, the companies were given the flexibility of adjusting excess CSR spending in a given year against the spending obligation in the subsequent three years. The ministry has not clarified that the same shall be for prospective years only and liable to lapse after 3 years.

- The Ministry of Corporate Affairs (MCA) has clarified that the funds spent on COVID vaccination for individuals other than employees and their families will be considered as a CSR expenditure, under the Companies Act, 2013. In March 2020, the ministry had said that spending on COVID-19 would be considered a Corporate Social Responsibility (CSR) activity.

- The Institute of Chartered Accountants of India (ICAI) has announced eight new Forensic Accounting and Investigation Standards (FAIS) to enable forensic auditors to issue precise and unambiguous reports. Under the new standards, auditors will be required to follow stiff norms while conducting forensic audits.

- The Ministry of Corporate Affairs (MCA) has exempted the Advocates, Chartered Accountants, Cost Accountants and Company Secretary having at least 10 years experience, from online proficiency self-assessment test for becoming an independent director.

- The Securities Exchange Board of India (SEBI) has reduced the minimum lock-in period for promoters' investment post an initial public offering (IPO) to 18 months from three years, under certain conditions.

- The Securities Exchange Board of India (SEBI) has issued new guidelines for non-convertible debentures with warrants products, whereby it has made Electronic Book Platform (EBP) mandatory for the NCDs portion of the issue, to streamline the procedure of issuance and applicability of EBP mechanism on the NCDs.

(For queries and more information on Corporate Laws, contact our colleague Adnan Ginwala at adnan.ginwala@greenvissage.com)

Customs and Foreign Trade

- The basic customs duty on crude Soy Oil and Sunflower Oil has been reduced, bringing down the total import duty from 45% to 37.5% aiming to boost domestic supply and control inflation, with effect from August 20. The rates shall be applicable only up to September 30. Crude Soy Oil and Sunflower Oil attract 20% agriculture infrastructure and development cess and a 10% social welfare cess.

- Central Board of Indirect Taxes and Customs (CBIC) has instructed all Customs Commissionerates to avoid issuing any circular or reports like interpretation or clarification on matters covered under the Customs Act, to avoid contradictions. Currently, circulars/reports/alerts are issued by the directorates, commissioners and audit wings to all the Customs zones to promote information sharing, findings or observations detected during the investigations, audits or risk analysis.

(For queries and more information relating to Foreign Trade, contact our colleague Adnan Ginwala at adnan.ginwala@greenvissage.com)

Banking and Finance

- The Securities Exchange Board of India (SEBI) has allowed payments banks to carry out the activities of investment bankers, to provide easy access to investors to participate in public and rights issues by using various payment avenues. Non-scheduled payments banks that have prior approval from the Reserve Bank of India (RBI) will be eligible to act as a banker to an issue (BTI), subject to fulfilment of the conditions stipulated in the BTI rules. Further, such banks will also be permitted to act as self-certified syndicate banks.

- The Reserve Bank of India (RBI) has increased the ceiling on remittance amount per transaction from India to Nepal to INR 2 lakh from INR 50,000 to facilitate retirement and pension-related payments to ex-servicemen settled in the neighbouring country. The central bank has also removed the cap of 12 remittances in a year per remitter.

- The Government has amended the Foreign Exchange Management (Non-Debt Instruments) Rules, 2019 to enable the increase in foreign direct investment limit in the insurance sector to 74%.

- The Reserve Bank of India (RBI) has issued a draft of new guidelines which aim to liberalise the regulatory framework governing overseas investments to promote ease of doing business. The Draft Foreign Exchange Management (Non-debt Instruments - Overseas Investment) Rules, 2021 outline the restrictions on overseas investments. As per the draft, a person resident in India is prohibited from making Overseas Direct Investment (ODI) in a foreign entity engaged in real estate activity; gambling in any form, and offering financial products linked to Indian Rupee except for products offered in an IFSC. Overseas investments and acquisition of immovable properties outside India by Indian residents is presently governed by the Foreign Exchange Management (Transfer or Issue of any Foreign Security) Regulations, 2004 and Foreign Exchange Management (Acquisition Transfer of Immovable Property Outside India) Regulations 2015.

(For queries and more information on banking and finance, contact our colleague Kethaan Parakh at ksparakh@greenvissage.com)

Accounting and Auditing

In Focus: IndAS-116

- *An operator enters into a service concession arrangement to operate rail service for 15 years. The arrangement is considered to be in the scope of Ind AS 115, Revenue from Contracts with Customers. The operator enters into a contract with another entity to lease the infrastructure i.e. rolling stock to operate the rail service. The useful life of rolling stock is 25 years. The operator must pay the lessor. During the concession period, the grantor controls the services that the operator delivers by setting the timetable to which the rolling stock must be operated and regulates the price that the operator charges passengers. At the end of the concession, the grantor has an option to acquire the rolling stock or to otherwise direct its use. Whether the contract of the operator with the rolling stock lessor be covered by the scope of IndAS 116?* Paragraphs 7 of Appendix D of IndAS 115, states that the Appendix applies to infrastructure that the operator constructs or acquires from a third party for the service arrangement. Paragraph 11 states that the infrastructure within the scope of the Appendix shall not be recognised as property, plant and equipment of the operator because the contractual service arrangement does not convey the right to control the use of the public service infrastructure to the operator. The operator has access to operate the infrastructure to provide the public service on behalf of the grantor following the terms specified in the contract. According to the above, if an arrangement is determined to be within the scope of Appendix D to Ind AS 115, the grantor, rather than the operator, controls the right to use any leased infrastructure that the operator constructs or acquires from a third party for the service arrangement. In the given case, as the arrangement is a service concession arrangement Operator does not have the right to control the use of the infrastructure, i.e., rolling stock. Thus, the operator's arrangement with the lessor does not meet the definition of 'lease' from its perspective.

- *As per paragraph 8 of IndAS 116, the election for short-term leases shall be made by class of underlying asset to which the right of use relates. Whether the classes of underlying assets for Ind AS 116 would be similar to those as specified in IndAS 16, Property, Plant and Equipment or IndAS 38, Intangible Assets?* Paragraph 8 of Ind AS 116 states that a class of underlying assets is a grouping of underlying assets of a similar nature and use in an entity's operations. Further, paragraph 37 of Ind AS 16 states that a class of property, plant and equipment is a grouping of assets of a similar nature and use in an entity's operations. The following are examples of separate classes: (a) land; (b) land and buildings;

(c) machinery; (d) ships; (e) aircraft; (f) motor vehicles; (g) furniture and fixtures; (h) office equipment; (i) bearer plants. Paragraph 119 of IndAS 38 states that a class of intangible assets is a grouping of assets of a similar nature and use in an entity's operations. Examples of separate classes may include (a) brand names; (b) mastheads and publishing titles; (c) computer software; (d) licences and franchises; (e) copyrights, patents and other industrial property rights, service and operating rights; (f) recipes, formulae, models, designs and prototypes; and (g) intangible assets under development. It is noted that all the three standards essentially define a class of assets as 'a grouping of assets of a similar nature and use in an entity's operations. Accordingly, it would be appropriate to classify the right-of-use assets along the lines of Ind AS 16 or Ind AS 38 as appropriate. However, the above are only examples as per Schedule III and entities may have different classes subject to criteria of similar nature and use is met.

- *If a club enters into an arrangement to have an exclusive right to use a specific auditorium every weekend for five years to screen movies for its members, while the rest of the week, the owner can use it for any other purpose, does the contract meet the definition of the lease?* IndAS 116 defines the terms 'lease' as a contract, or part of a contract, that conveys the right to use an asset (the underlying asset) for a period in exchange for consideration. It further defines a lease term as the non-cancellable period for which a lessee has the right to use an underlying asset. Thus, an arrangement to use an asset would meet the definition of a lease if it conveys the right to use an asset for a non-cancellable period. There is no requirement for the non-cancellable period to be continuous. Therefore, an arrangement that provides the right to control the use of an asset would meet the definition of the lease even if it contains intermittent periods during which the customer does not have the right to control the use of the asset.

- *An entity takes a crossover on lease which is explicitly specified in the contract for a period of two years. As per the contract, the entity can drive it only up to a maximum of 1,50,000 kilometres during the period of two years. Considering the cap on the number of kilometres that the crossover can be driven by it, does the entity obtain substantially all of the economic benefits from the use of the crossover?* Paragraphs B21 of IndAS 116 states that to control the use of an asset, a customer must have the right to obtain substantially all of the economic benefits from the use of the asset throughout the period of use. Further, paragraph B22 states that when assessing the right to obtain substantially all of the economic benefits, an entity should consider the economic benefits that result from the use of the asset within the defined scope of a customer's right to use the asset. As per the above, to control the use of an asset, the customer is required to obtain substantially all of the economic benefits. A right that solely protects the supplier's interest in the underlying asset (e.g., limits on the number of miles a customer can drive a supplier's vehicle) does not prevent the customer from obtaining substantially all of the economic benefits from the use of the asset and, therefore, such a right of the supplier is not to be considered. Thus, the economic benefits for the permitted mileage will be considered when assessing whether the entity has the right to obtain substantially all of the economic benefits from the use of the vehicle during the contract period and the limit on the number of kilometres the crossover can be driven during the tenure of the contract does not prevent the contract from being a lease.

- *A company sells an office building to another company for consideration of INR 10,00,000 when immediately before the transaction carrying amount of the building is*

INR 5,00,000. At the same time, the first company also enters into a contract with the second company for the right to use the building for 15 years with annual payments of INR 80,000 payable at the end of each year. The transfer of the office building qualifies as a sale under Ind AS 115 and the fair value of the office building on the date of sale is INR 9,00,000. The incremental borrowing rate of the company is at 10% per annum. How to account for the aforesaid sale and leaseback transaction? Paragraph 101 of Ind AS 116 states that if the fair value of the consideration does not equal the fair value of the asset, or if the payments for the lease are not at market rates, the company should make adjustments for any above-market terms to be accounted for as additional financing provided by the buyer-lessor to the seller-lessee. The present value of the annual payments is INR 6,08,486 of which INR 1,00,000 shall be repayment of additional financing while balance shall represent lease. Thus, each annual payment can be viewed as comprising of INR 13,147 towards repayment of additional financing and INR 66,853, towards lease rentals each of which is discounted at 10% per annum. At the commencement date, the seller company shall measures the right-of-use asset retained through the leaseback of the office building as a proportion of its previous carrying amount of the building that relates to the right of use retained by it, i.e., [INR 5,00,000 x (INR 5,08,486 / INR 9,00,000) = INR 2,82,492. Of the total gain of INR 4,00,000 i.e. fair value over and above book value, INR 2,82,492 relates to the right to use asset, while the balance INR 1,74,006 represents actual gains. Thus, the accounting entry would involve the bank being debited 10,00,000 Right to use asset debited 2,82,492, Building being credited INR 5,00,000 financial liability on account of the lease being credited INR 6,08,486, and gains on transfer of right being credited INR 1,74,006.

(For queries and more information relating to Accounting, contact our colleague Rahul Mundada at rahul.mundada@greenvissage.com)

Payroll and Personal Savings

- The Securities and Exchange Board of India (SEBI) has announced an extension of the due date for KYC compliance by Demat Account holders, by two months to September 30. In April, the two depositories – Central Depository Services Limited (CDSL) and National Securities Depository Limited (NDSL) had issued circulars informing clients to update certain KYC attributes mandatorily before July 31. A Demat account holder is required to update the following KYC attributes: a) Name b) Address c) PAN d) Valid mobile number e) Valid email ID f) Income range. If the KYC details are not updated, the account would be deactivated.

- The Securities and Exchange Board of India (SEBI) has announced that a lien will be marked on the Demat accounts of the shareholders participating in the open offers, buyback offers and delisting of securities. Only upon finalisation of the entitlement, the accepted quantity of shares will be debited from the Demat account and the lien marked against unaccepted shares will be released.

- The rate of return of various small savings schemes of the post office as compared to prior period are as follows:

Scheme	Current	Prior	%
Savings	4.00	4.00	0.00
FD (5 years)	6.70	6.70	0.00
RD (5 years)	5.80	5.80	0.00
NSC	6.80	6.80	0.00
PPF	7.10	7.10	0.00
KVP	6.90	6.90	0.00
SSA	7.60	7.60	0.00

(For queries and more information relating to Payroll, contact our colleague Kumari Snigdha at kumari.snigdha@greenvissage.com)

Economic Indicators

- Latest statistics relating to the key economic indicators of Indian economy stand as follows:

Indicator	As on	Current	Prior
GDP Growth (%)	Jun-21	20.1	1.6
Inflation (%)	Jul-21	5.59	6.26
Unemployment (%)	Jul-21	7.0	9.2
Trade Balance ($m)	Jun-21	−10,970	−9,400
GOI Bond 10yr (%)	Aug-21	6.22	6.21

- The movement in the major indices of various stock exchanges across the world, during the month of August, 2021 was as follows:

Equity Index	Country	%
NIFTY 50	India	+7.50
BSE SENSEX	India	+8.29
INDIA VIX	India	+10.78
NIFTY BANK	India	+5.37
DOW JONES	USA	+1.51
NASDAQ	USA	+3.94
S&P 500	USA	+3.09
FSTE 100	UK	+1.40
NIKKEI 225	Japan	+2.41
SHANGHAI COM	China	+2.97
MOEX	Russia	+4.16
CAC 40	France	+1.45
DAX	Germany	+1.92
ASX 200	Australia	+0.48
BOVESPA	Brazil	−3.05
FTSE STI	Singapore	−0.04
KOSPI	South Korea	−0.50
HANG SENG	Hong Kong	−0.79

- The movement in the major commodities futures with latest expiry, as per MCX during the month of August, 2021 was as follows:

Commodity	Expiry	Price	%
Gold	05-Oct	47,100	−4.65
Silver	03-Dec	63,327	−6.92
Crude Oil	20-Sep	5,030	−7.96
Natural Gas	27-Sep	328	+9.86
Aluminum	30-Sep	211	+1.35
Copper	30-Sep	708	−6.42
Cotton	29-Oct	25,340	−7.48

- The movement in the reference rates of major global currencies during the month of August, 2021 was as follows:

Currency Pair	Current	Prior	%
INR/1 USD	74.30	74.42	+0.16
INR/1 GBP	101.93	102.37	+0.43
INR/1 EUR	87.24	87.61	+0.42
INR/100 YEN	67.73	67.49	−0.36

- Movement in the major cryptocurrencies during the month of August, 2021 was as follows:

Currency	Pair	Price	%
Bitcoin	BTC/USD	47,973	+19.37
Ethereum	ETH/USD	3,330	+44.13
Tether	USDT/USD	1.00	+0.01
XRP	XRP/USD	1.14	+60.65
Btc Cash	BCH/USD	648.01	+26.86

- India's Stock Exchanges have set new all time high. The national index Sensex recorded 57,783 while Nifty recorded 17,194 on August 31. The bull run in the market was further inspired by the strong GDP data and heavy inflow of foreign funds in the country.

Corporate News

- **Reliance Industries** has announced its plans to produce a capacity generation of at least 100 gigawatts of electricity from renewable sources by 2030 which can be converted into carbon-free green hydrogen and also outlined its 1-1-1 vision to bring down the cost of hydrogen to under USD 1 per 1 kg in 1 decade.

- **Future Group** has requested the Supreme Court to grant an urgent hearing of its appeal against a Delhi high court order impeding its USD 3.4 billion sales of retail assets to Mukesh Ambani's Reliance Industries.

- **Federal Bank** has introduced a new credit card in association with Visa and is also on course to introduce variants of the Rupay credit card in association with the National Payments Corporation of India (NPCI).

- **Bombay Mercantile Co-operative Bank** has been imposed penalties by the Reserve Bank of India (RBI) for non-compliance with directions issued by the central bank. The violations pertain to rules on the interest rate on deposits.

- **Bank of Maharashtra**'s Managing Director and CEO A S Rajeev announced that the company is looking forward to crossing INR 3 lakh crore business soon on the back of the improved economic sentiment, as it has been performing well in key parameters including deposit mobilisation, credit growth, recovery, risk management etc.

- **LIC India** has raised a 3.9% stake in the Bank of India through an open market transaction. Before the latest acquisition, LIC already holds over a 3.17% stake.

- **ICICI Lombard General Insurance Company** has reported that the Insurance Regulatory and Development Authority of India (IRDAI) has given acceptance for the demerger of the general insurance business of Bharti AXA General Insurance.

- **SpiceJet** employees at Delhi Airport have gone on strike against the company demanding answers over reduced salaries, although returned to work after talks with senior management of the airline. SpiceJet had earlier trimmed the salaries of its employees in March 2020 owing to a stressed financial situation due to the pandemic.

- **Rasna** brand's owner Pioma Industries is looking forward to introducing 'Indie Cola' to compete with reputed cola brands such as Pepsi, Coca-Cola, and Thumbs Up. The company hired three franchises for the manufacturing of the product and is test-marketing the same.

- **Udaan** has filed an antitrust complaint against biscuit manufacturer Parle for abuse of the dominant position in the market, claiming that the company is facing a competitive setback as Parle refused to supply its highly demanded products without any objective justification. Parle is the dominant brand in the glucose biscuits market in India.

- **Maruti Suzuki India** has recalled some petrol variants of Ciaz, Ertiga, Vitara Brezza, S-Cross, and XL6 to inspect a possible defect in 181,754 units of these models manufactured between May 4, 2018, to October 27, 2020, and rectify faults that may be potential safety defects.

- **Power Grid Corporation (PGCIL)** has declared that it has commenced setting up the first electric vehicle charging station in Meghalaya. The company has already laid down the foundation stone for its first-ever electric vehicle charging station (EVCS) at its office complex at Lapalang, Shillong.

- **Barbeque Nation** has garnered nearly INR 100 crore via preferential issue of equity shares to three different investors, including the Massachusetts Institute of Technology.

- **Coal India** has announced that it will launch software for locating thin coal seams under the earth crust and improve the assessment of resources of fossil fuel using seismic surveys during the exploration process. The launch of software predicts significance as the present seismic survey techniques for coal resource exploration have their limitations in identifying the thin coal seams.

- **Amazon** has announced that Amazon Pay UPI now has 50 million users who pay at 20 million local shops using the UPI QR code option, with over 75% of the customers over the past year coming from tier-II and -III cities. In separate news, Amazon is also going to host its first-ever Career Day in India on September 16, a virtual and interactive event to bring together Amazon leadership and employees to share what makes Amazon an exciting workplace.

- **Flipkart** has moved to Madras High Court to challenge the show-cause notice issued by the Enforcement Directorate (ED) which held that Sachin Bansal along with another individual was personally responsible for the alleged violation of FDI policy involving a lurching amount of approximately INR 23,000 crore.

- **Snapdeal** has joined the campaign of Indian startups looking to lift money through the public market as the company is considering an initial public offering (IPO) to fetch USD 400 million. Snapdeal is the latest to joins Flipkart, Ola, OYO and others who are likely to go public next year.

- **PayU** has bought out payment gateway BillDesk for USD 4.7 billion making it the largest online payments company in India. In FY 2021, the combined Total Payments Value (TPV) of PayU and BillDesk was USD 147 billion.

- **Zomato** has decided to close its Singapore and United Kingdom (UK) based subsidiaries. The net worth of Zomato Media Private Limited (ZMPL) headquartered in Singapore is INR 6.5 lakh.

- **Ola Cabs** CEO Bhavish Aggarwal has elaborated that the company plans to ship the Ola Electric scooters to the United States by early 2022.

- **BYJU's** device sales have fetched the highest revenues in 2019-20, even as the company's losses swelled 30 times. The company recently became India's most assessed startup with an 80% growth in consolidated net sales in FY20.

- **Dream11**'s parent company, Sporta Technologies, is planning to raise INR 90 crore in a new round of funding, as per the recent filings, Sporta Technologies will allot 2,933 equity shares at a premium of INR 3,09,313 each per equity share to Antordaya Commercial and Holdings Private Limited.

- **Unacademy**, the Ed-tech platform has declared its third and largest Employee Stock Ownership Plan (ESOP) programme worth USD 10.5 Mn for its employees and teachers. Unacademy had earlier carried out its first ESOP buyout in September 2019 and later in October 2020.

- **Didi Global**, China's ride-hailing app, has denied media reports that cite the Beijing city government coordinating with companies to invest in the company. The company is currently undergoing a cybersecurity probe.

- **Tesla**'s founder Elon Musk has reported that the automaker is planning to release its USD 25,000 'fully autonomous electric car in 2023 which may not have a steering wheel.

- **Alibaba Group** has announced USD 15.5 billion spendings to support President Xi Jinping's measure to spread China's prosperity evenly, adding to pledges by tech companies who are under pressure to pay for political initiatives. The company will invest in 10 projects for job creation, care for vulnerable groups, technology innovation.

- **Wipro** has announced its collaboration with HERE Technologies to provide location-based services to its customers from Energy & Utilities, Manufacturing, Transport & Logistics, Telecom and Automotive industry verticals. Wipro and HERE will be jointly developing solutions for asset tracking, logistics, supply chain, smart-metering and analytics among others.

- **Tata Consultancy Services (TCS)** has been named as the Leader in The Forrester Wave: Application Modernization and Migration Services, Q3 2021.

- **HCL Technologies** has introduced a dedicated HCL Cisco ecosystem unit to create solutions to boosts clients' digital journeys by creating leading-edge competencies, solutions and business outcome models by leveraging Cisco technologies.

- **IDFC First Bank** in its annual report has addressed the concerns of investors amid concerns over the bank's asset quality impacted due to troubles faced by Vodafone Idea. While other lenders also have high exposure to Vodafone in absolute amounts, Yes Bank and IDFC First may be impacted the most as the top in terms of percentage loan books.

- **Nazara Technologies**, a Gaming and sports media company, is planning for real-money gaming to INR 100 crore in revenues by the end of FY 2022.

#ThankYouScientists

#ThankYouManufacturers

#ThankYouSuppliers

#ThankYouFrontliners

Factoring – How bill discounting can revive the MSME sector Businesses are often stuck between debtors who won't pay on time and creditors who won't wait. In between, a businessperson often ends up offering higher discounts to their debtors for early clearing of receivables or buying at higher prices from its creditors who may offer a longer credit period to settle the bills. If you are a businessperson, you might have already …

E-Commerce vs Retailers – The complete debacle explained "India missed one bus with the Industrial Revolution – a certain boost in muscle power and we were not able to catch up for 300 years. Maybe, we didn't jump on the second bus on time and that is – the electronic revolution or the computer revolution. And now we might have to run behind that bus, catch up to it and jump on to it. I think we are capable of doing this," said Rajiv Gandhi while speaking at …

Cryptocurrencies – Volatility and other problems Bitcoin, the most popular cryptocurrency, is not yet recognized as legal currency by any government. However, any person can buy, hold or sell and even trade cryptocurrencies, subject to rules and regulations in their countries. Buying cryptocurrencies is similar to buying stocks – Investors can purchase bitcoins through cryptocurrency exchanges and store them in …

Helicopter Money – When Government Goes on Shopping Spree "It's not raining money", a phrase that I have heard my parents say several times in my childhood whenever I went out of bounds to buy something expensive. I teach the same to my kids today! The implied meaning is simple – we work day in and day out to earn money and it is not easy to earn money, although spending it is the opposite. Life would have been so easier if earning was …

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