

DAILY NEWS UPDATES

MEHTA & MEHTA
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SEBI proposes trading in gold through Electronic Gold Receipts

- SEBI has come up with a concept of gold trading through Electronic Gold Receipts (EGR). EGR will be held in demat form and can be converted into physical gold as and when needed.
- Trading in EGR will attract Securities Transaction Tax (STT) and Goods & Service Tax (GST).
- Initially, EGR of gold weighing 1 kg, 100 gm, 50 gm, 10 gm and 5 gm will be traded.
- Trading will be done in three tranches which includes conversion of physical gold into EGR, trading of EGR and eventually conversion of EGR back into physical gold.
- An interface will also be developed between the vault managers, depositories, stock exchanges and clearing corporations.



SAT allows NSE to withdraw Rs. 6000 cr from escrow account

- SEBI had ordered NSE to deposit revenue from co-location service in a separate bank account, after finding NSE guilty of various lapses in co-location service. This gave preferential access to few brokers and traders.
- After depositing money into abovementioned account for years, NSE appealed Securities Appellate Tribunal (SAT) to permit the use of money kept in separate bank account.
- In an update to aforesaid case, SAT ordered the closure of escrow account and asked NSE to deposit Rs. 420 crores in interest bearing account. However remaining money can be utilized for business purpose.



Securities Appellate Tribunal can function without technical member

- SEBI had argued that Securities Appellate Tribunal (SAT) cannot function without technical member on board.
- However SAT rejected SEBI's contention citing that functioning of SAT only with presiding officer & judicial officer is not defective due to non-availability of technical member.
- SAT has requested central government to fill up the vacancies at the earliest and address the matter as Public Interest Litigation by Supreme Court to have judicial clarity on the same.
- However experts say that mere absence of technical member should not halt functions of SAT.



Centre tells Delhi HC that Whatsapp new policy violates Indian IT laws

- Whatsapp's policy neither allows users to review the data being shared nor specifies the type of personal data which will be shared with Facebook or third party apps.
- CG filed a claim before a bench of Chief Justice DN Patel and Justice Jyoti Singh during hearing of several pleas challenging new policy.
- Central Government (CG) informed Delhi High Court that Whatsapp's new privacy policy is against Indian Information Technology (IT) laws.
- On the other hand, Whatsapp says its policy is in place and not against any Indian IT laws.
- The bench issued a notice to CG, Facebook & Whatsapp seeking their stand on plea filed by a lawyer who claimed that new policy is against right to privacy under Constitution.



Healthcare ranks second in CSR spends

- As per data of Ministry of Corporate Affairs (MCA), corporates spend more on education and skill development as compared to health facilities.
- Companies have spent 27% of total CSR funds on health, hunger, poverty and sanitation. Interestingly, Maharashtra received highest CSR funds of Rs. 13,494 crores in six years.
- But due to covid resurgence, states like Maharashtra, will get more support to enhance health & medical facilities through Corporate Social Responsibility (CSR).
- Also MCA has announced that spending on COVID-19 is eligible CSR activity. This will motivate more companies to come forward and spend on medical & health facilities under CSR regime.

