

Vivo sent 50% of its turnover to China to avoid tax in India: ED

‘Over 18 companies were incorporated across the country using fake documents’

OUR BUREAU

Mumbai, July 7

The Enforcement Directive (ED) announced today that Chinese phone maker Vivo returned 50 per cent of its turnover, worth ₹62,476 crore, to China, to avoid payment of taxes in India. The ED also noted that 22 companies associated with Vivo were transferring a huge amount of funds to Vivo India.

Eighteen of these companies were incorporated by a Chinese Director, who falsified identification and forged address at the time of incorporation of one of the companies, Grand Prospect International Communication (GPICPL).

Raids conducted

The ED disclosed that it had conducted raids in 48 locations across the country belonging to VIVO Mobiles India Private Ltd and its 23

associated companies. The investigation, under the Prevention of Money Laundering Act, was initiated by the ED against Vivo after the Ministry of Corporate Affairs filed an FIR against GPICPL, alleging its fraudulent incorporation.

According to the complaint by the Ministry of Corporate Affairs, GPICPL and its shareholders had used forged identification documents and falsified addresses at the time of incorporation. The ED stated that it had found those allegations to be true.

“The investigation revealed that the addresses mentioned by the directors of GPICPL did not belong to them, but in fact, was a government building and house of a senior bureaucrat.”

The ED also found that Bin Lou, Director, GPICPL, who is also named in the FIR, was re-



ED had conducted raids in 48 locations belonging to Vivo Mobiles India Private Ltd and its 23 associated companies

sponsible for incorporating 18 companies across the country. These were incorporated around the same time or when Vivo incorporated its India operations. The ED named another Chinese national, Zhixin Wei, who had incorporated a further four companies.

These 22 companies were located in 19 major cities, including Lucknow, Gurugram, Ahmedabad, Hyderabad, Bengaluru and Chennai.

Bin Lou left India in 2018

and Zhixin Wei in 2021. The ED stated that as per their investigation, “these companies are found to have transferred a huge amount of funds to Vivo India. Further, of the total sale proceeds of ₹1,25,185 crore, Vivo India remitted ₹62,476 crore, almost 50 per cent of the turnover out of India, mainly to China.

These remittances were made in order to disclose huge losses in Indian incorporated companies to avoid payment of taxes in India.”

Recruitment across sectors grows 3% in June

Demand for top management talent grew the most

ISHA RAUTEALA

Bengaluru, July 7

The Indian job market showed three per cent growth in recruitment across industry segments in June, registering the maximum growth of 15 per cent in the top management segment, according to the Monster Employment Index (MEI). The de-

mand for top management with over 15 years of experience showed the maximum growth in hiring at 15 per cent on a year-on-year basis and three per cent every quarter.

“While concerns over start-up layoffs continue to linger, it is important to note that they represent a very small portion of the overall job pie and several industries today have outperformed their targets to contribute to the larger growth story of our nation,” said Sekhar Garisa, CEO, Monster.com, a Ques-

s company. On a sectoral basis, banking, financial services and insurance (BFSI) saw the maximum demand for professionals, with a 28 per cent rise in job postings, compared to the previous year. Hiring in the chemical industry went up by 24 per cent.

Downward trend in hiring

Hiring in the IT- Hardware and Software was down by two per cent due to the layoffs in the start-up industry. Other industries, including media and entertainment was down by 26 per cent.

For the engineering, cement, construction and iron/steel it was down 20 per cent.

Across cities, metros continued to top the charts, indicating post-pandemic job recovery. Of the 13 cities monitored by the Index, 10 showed positive job demand in June, with Mumbai registering the highest at 23 per cent.

The Monster Employment Index is a broad and comprehensive monthly analysis of online job posting activity conducted by Monster India.

RK Swamy and BBDO separate after 37 years

OUR BUREAU

Chennai, July 7

RK Swamy, which is among the top five marketing communications agencies in India, and BBDO, a top multinational agency and part of the Omnicom Group, have decided to separate after 37 years.

The split has come for strategic reasons as the RK Swamy Hansa Group plans to bring its various business entities under one roof, says a press release from the agency. A friendly agreement was reached between the partners as both understood and respected each other's strategic imperatives, it said.

Under the agreement, RK Swamy will buy out BBDO's stake in RK Swamy BBDO Pvt Ltd, and in turn, BBDO will buy out the Indian agency's stake in the joint venture.

“We started the relationship when RK Swamy and I shook hands with the then CEO of BBDO, Allen Rosenshine, in New York, in 1985. We worked for four years together on a simple understanding without a formal contract. BBDO invested in us up to a majority, which we then bought back in 2009. They have held a significant minority since then. At that point, BBDO India

was created and we took a similar minority stake in it. BBDO is a great company and it has been a fantastic journey. The phrase ‘all good things come to an end’ is so true in this case,” said Shekar Swamy, Group CEO of RK Swamy Hansa.

‘A great partner’

Andrew Robertson, CEO, BBDO Worldwide, said: “RK Swamy has been a great partner. I have always admired their conviction in, and commitment to, the future of India, and the part they can play in it. I am sure it will be great. We have a strong agency in BBDO India. We remain committed to great work, and this will be the same in India as elsewhere.”

Srinivasan K Swamy, Chairman of RK Swamy Hansa, said: “RK Swamy BBDO is primarily in marketing communications. However, our extended activities go beyond marcom to span interactive and digital, media planning and buying, media and market research, CRM, data analytics and MarTech, healthcare communication and continuing medical education, events and outdoor. We are bringing these together under one structure for greater synergy. The future is very exciting as we consolidate.”

CBI arrests Power Grid ED, staff of Tata Projects on graft charges

OUR BUREAU

New Delhi, July 7

The Central Bureau of Investigation (CBI) has arrested an Executive Director of Power Grid Corporation of India Ltd and five personnel of Tata Projects Ltd, in a case where the Noida-based private company was accused of indulging in corruption to influence the Power Ministry's public sector undertaking (PSU) to avail tenders in two north-eastern States.

Search operation

After booking six persons in an FIR, the CBI carried out searches on Thursday at 11 premises of the accused located in Gurugram, Noida and Ghaziabad, which led to recovery of numerous incriminating documents, materials and digital devices, said the agency. Cash worth nearly ₹93 lakh was recovered from the residence of Power Grid Corporation ED, Bimlendu Shekhar Jha, said the CBI.

The names of the accused from Tata Projects are: Executive Vice-President & Head (Transmission & Distribution), Desh Raj Pathak; Assistant Vice-President & Business Head-Distribution, RN Singh;



RPM Nafeez Hussain Khan, and two other employees, Randheer Kumar Singh and Sandeep Kumar Dubey.

All six accused were produced on Thursday before the Court of Special Judge, CBI cases, Panchkula (Haryana), and remanded to agency custody for interrogation till July 15, the CBI informed the media.

The CBI alleged that Jha, “in a conspiracy with others, was extending favours to Tata Projects for various works, including for preparation of inflated bills, early clearing of bills, Price Variation Clause, related to the contracts of Power Grid Corporation in lieu of demand and acceptance of illegal gratification”.

It was further alleged that the private company has “bagged tenders, pertaining to a comprehensive scheme for Arunachal Pradesh and Sikkim from Power Grid”.

With exits at a peak, new hires at IT firms account for 40% of staff

A record-setting year for tech talent, FY22 also saw the addition of one million jobs

TERAJASIMHAN

Chennai, July 7

Attrition has emerged as the biggest worry for the IT sector and nothing demonstrates this better than the fact that more than 40 per cent of the industry's workforce has been hired in the last 12 months. This rapid hiring has also necessitated massive workforce rotation, a phenomenon that is being referred to as the ‘Great Reshuffle’.

FY22 was a record-setting year for tech talent in India, with one million jobs added to the sector—the highest-ever in a year, Kamal Karanth, co-founder of the Bengaluru-based Xpheno, a specialist staffing company, recently told *BusinessLine*, based on an internal data.

ISG's Stanton Jones said workforce rotation has helped keep up with the surge in demand. But it will also put a lot of pressure on providers to sustain and scale their service delivery. Over the

past couple of decades, most providers with revenues over \$5 billion have experienced a workforce surge like never before, and those with lower scale do not have the same institutional memory. He said many providers are in uncharted territory in today's high-demand, high-attrition environment.

Suresh Bethavandu, Chief People Officer, Mindtree, said that before the pandemic, hiring and growth—in terms of compensation and career progression—followed a conventional trajectory. Through the pandemic, considerations of job security fuelled the ‘great resignation’ and reshuffle.

Market dynamics

As the result of accelerated digital transformation and increasing demand for talent, nearly 20-22 per cent of the workforce has potentially moved across more than one employer in the last 24 months alone, to make the most



of the market situation. The movement was driven more by compensation than considerations such as organisational culture and growth opportunities. This new dynamic of market demand has had cultural implications and varying impacts on the ability of organisations to deliver. This trend is unlikely to sustain in the long run, he said.

Yugal Joshi, Partner, Everest Group, argues that for large Indian service providers who are now 2-6 lakh people, 40 per cent would mean 1-2.5 lakh hiring. Given that most service providers accelerated their graduate hiring, it is not surprising to see each hiring between 10,000 and

40,000; therefore, the numbers are indeed high. Indian service providers used to hire such numbers from graduate college, but now with high attrition, the proportion of such hiring to the overall workforce is magnified, he said.

Automation programmes

Explaining the reasons for the surge in hiring, Aditya Narayan Mishra - Director and CEO of CIEL HR Services, said Covid accelerated the digitisation and automation programmes of companies worldwide, leading to a surge in contracts for the IT services firms in India.

As a consequence, there is a demand for IT infrastructure and talent demand.

Attrition peaked in services companies such as Infosys, TCS, Wipro and HCL in the last fiscal year. The top players lost talent to others, and to bridge the demand for new talent and backfill, they are ramping up rapidly. Besides hiring freshers, they employ experienced talent with 7-15 years of experience.

Russia to take control of Sakhalin-1 oil & gas project

REUTERS

Moscow, July 7

A senior Russian lawmaker said on Thursday that Moscow would take control of the Sakhalin-1 oil and gas project, in which ExxonMobil, Japan's SO-DECO and India's ONGC Videsh are partners, a week after taking over the neighbouring Sakhalin-2. Pavel Zavalny, head

of the energy committee in Russia's lower house of parliament, said the move was an obvious next step.

However, Kremlin spokesman Dmitry Peskov told reporters no decision had been taken on Sakhalin-1. Russian President Vladimir Putin signed a decree last week seizing full control of the Sakhalin-2 gas and oil project, a move that could force out Shell and Japanese investors.

Rosneft is a partner in the Sakhalin-1 group of fields. ExxonMobil decided to pull out of the project in March after Moscow sent its forces into Ukraine. Lawmaker Zavalny told an online briefing: “We were forced to make a decision to move Sakhalin-2 from the (production sharing agreement) regime to Russia's jurisdiction amid sanctions... Obviously, the same will happen to Sakhalin-1.”

He added: “When sanctions are being introduced, when the companies are effectively unable to take an active part in a project, this creates various risks for us and we are forced to make such decisions.”

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Notice for 11th Annual General Meeting of Intellect Design Arena Limited

Notice is hereby given that the 11th Annual General Meeting of the Company (“AGM”) of Intellect Design Arena Ltd (“the Company”) will be held on Friday, July 29, 2022 at 11.00 AM (IST) through Video-Conferencing (“VC facility”) or other Audio Visual means (“OAVM”) in accordance with various MCA and SEBI circulars.

In compliance with MCA circulars and circular SEBI/HO/CFD/CMD2/CIR/P/2022/62 dated 13th May, 2022, electronic copies of Notice of the AGM, procedure and instructions for e-voting and Integrated annual report for the said meeting has been already sent to all those members whose mail IDs are registered with the Company/RTA/Depositories.

The Notice of the 11th AGM and integrated annual report for the FY 2021-22 are also available on the website of the Company viz. <https://www.intellectdesign.com/investor-relations>, on the website of the stock exchanges www.bseindia.com, www.nseindia.com and website of depository viz. <https://www.evoting.nsdl.com/>

Further, pursuant to Section 91 of Companies Act, 2013 and Regulation 42 of SEBI (Listing obligations and Disclosures Requirements)/Regulations, 2015 the Registrar of Members and Share Transfer Books shall remain closed from Saturday July 23, 2022 to Friday July 29, 2022 (both days inclusive).

The Board of Directors in their meeting held on May 05th, 2022 have recommended a final dividend of Rs. 2,50/- per equity share of face value of Rs. 5/- . The record date for the purpose of final dividend for FY 21-22 is July 22, 2022. The Final dividend if approved by the Members, will be paid within 30 days from the conclusion of the AGM. In the event the Company is unable to pay dividend to any Members directly in their bank accounts through Electronic Clearing Services or any other means, due to non- registration of the Electronic Bank Mandate, the Company shall dispatch the Dividend warrant/ Bankers' cheque/ Demand Draft to such Members.

Pursuant to the Finance Act 2020, dividend income is taxable in the hands of shareholders w.e.f. April 01st, 2020 and the company is required to deduct tax at source (TDS) at the time of making the payment of final dividend to the members at the prescribed rate.

However, no tax shall be deducted on the dividend payable to resident individual shareholders if the total dividend to be received by them during the financial year 2022-23 does not exceed Rs. 5,000/- and also in cases where shareholders provide Form 15G/Form 15H (applicable to individuals aged 60 years or more) subject to conditions specified in the Income Tax Act, 1961. Form 15G/ 15H can be downloaded from the web link <https://investors.cameoindia.com> to avail the benefit and email to investor@cameoindia.com by 11:59 p.m. IST on July 22, 2022. There is also provision to upload the Form 15G/15H in the web link viz. <https://investors.cameoindia.com> provided by the Company's Registrar and Share transfer agent viz., M/s Cameo Corporate Services Limited. Shareholders are requested to note that in case their PAN is not registered, or having invalid PAN or Specified Person as defined under Section 206AB of the Income Tax Act (“the Act”), the tax will be deducted at a higher rate prescribed under Section 206AA or 206AB of the Act, as applicable.

For Non-resident shareholders, taxes are required to be withheld in accordance with the provisions of Section 195 and other applicable sections of the Income Tax Act, 1961, at the rates in force. The withholding tax shall be at the rate of 20% (plus applicable surcharge and cess) or as notified by the Government of India on the amount of dividend payable

Non-resident shareholders can avail beneficial rates under tax treaty between India and their country of residence, subject to providing necessary documents i.e. No Permanent Establishment and Beneficial Ownership Declaration, Tax Residency Certificate, Form 10F, any other documents which may be required to avail the tax treaty benefits, by sending an email to investor@cameoindia.com. The aforesaid declarations and documents should be submitted by the shareholders by 11:59 P.M. IST on July 22, 2022

The company is providing the facility to its members to exercise right to vote on the businesses as set forth in the notice of the 11th AGM by electronic means through both remote e-voting and e-voting at the AGM. All members are informed that:

- The instructions for participating through VC and the process of e-voting, including the manner in which members holding shares in physical form or who have not registered their e-mail addresses can cast their vote through e-voting, are provided as part of the notice of the 11th AGM.
- Members holding shares either in physical form or in dematerialized form as on Friday, July 22, 2022 i.e., cut-off date, may cast their vote electronically. The e-voting module shall be disabled by NSDL for voting thereafter. Those Members, who will be present in the AGM through VC/OVAM facility and have not cast their vote on the Resolutions through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through e-voting systems during the AGM.
- The remote e-voting shall commence from 9.00A.M (IST) on Tuesday, July 26, 2022 and concludes on Thursday at 5.00 P.M (IST) on July 28, 2022, and once the vote on a resolution is cast by the members, the same shall not be allowed to change.
- The members who have already cast their votes by remote e-voting can participate in the proceedings of the 11th AGM but are not entitled to vote during the AGM. The detailed instruction for participating through VC/OVAM is provided in the notice of the 11th AGM.
- Members who have not registered their e-mail address are requested to register the same in respect of shares held in electronic form with the Depository Participant(s) and in respect of shares held in physical form by writing to the Company's RTA, Cameo Corporate Services Limited, "Subramanian Building" No.1, Club House Road, Chennai-600002.
- For queries regarding e-voting:
 - Non-individual Members holding shares in demat mode and Members holding securities in physical mode may contact Cameo Corporate Services Limited at No. 044 4002 0700 or write to them at cameo@cameoindia.com
 - Individual Members holding shares through NSDL may contact NSDL helpdesk by writing to evoting@nsdl.co.in or calling the toll free No.: 1800-224430 or 18001020900
 - Individual Members holding shares through CDSL may contact CDSL helpdesk by writing to helpdesk.evoting@cdslindia.com or call at 022-23058738 or 022- 23058542/43
 - Members, who are voting through the facilities provided by their Depository Participants, may contact their respective Depository Participants on their helpline/contact details.
- Members who would like to express their views/ask questions as a speaker at the Meeting may pre-register themselves by sending a request from their registered e-mail address mentioning their names, DP ID and Client ID/ folio number, PAN and mobile number at naresh.vv@intellectdesign.com or company.secretary@intellectdesign.com from July 18, 2022 (09:00 a.m. IST) to July 25, 2022 (05:00 p.m. IST). Only those Members which have pre-registered themselves as a speaker will be allowed to express their views/ask questions during the AGM. The Company reserves the right to restrict the number of speakers depending on the availability of time for the AGM.
- For any query/clarification or assistance required with respect to the Integrated Annual Report for the Financial Year 2021-22 or the Annual General Meeting, Members may write to company.secretary@intellectdesign.com or naresh.vv@intellectdesign.com

By Order of the Board
for Intellect Design Arena Limited
Sd/-
V V Naresh
Company Secretary & Compliance Officer

Place : Chennai
Date : July 07th, 2022

Apple ‘Lockdown Mode’ to block Pegasus-type spyware

OUR BUREAU

Mumbai, July 7

In a bid to help users block Pegasus-type spyware, Apple has launched a new Lockdown Mode, which offers an extreme, optional level of security for the few users who, because of who they are or what they do, may be personally targeted by some of the most-sophisticated digital threats.

Turning on Lockdown Mode in iOS 16, iPadOS 16 and macOS Ventura further hardens device defences and strictly limits certain functionalities, sharply reducing the attack surface that could potentially be exploited by highly targeted mercenary spyware.

Lockdown Mode offer the



following protections: 1) Messages: Most message attachment types, other than images, are blocked. Some features such as link previews are disabled; 2) Web browsing: Certain complex web technologies such as just-in-time (JIT) JavaScript compilation are disabled unless the user excludes a trusted

site from the Lockdown Mode; 3) Apple services: Incoming invitations and service requests, including FaceTime calls, are blocked if the user has not previously sent the initiator a call or request; 4) wired connections with a computer or accessory are blocked when the phone is locked; 5) configuration profiles cannot be installed, and the device cannot enrol into mobile device management (MDM) while the Lockdown Mode is turned on.

‘Will add new features’

“Apple will continue to strengthen Lockdown Mode and add new protections over time. To invite feedback and collaboration from the security research com-

munity, Apple has also established a new category within the Apple Security Bounty programme to reward researchers who find Lockdown Mode bypasses and help improve its protections.

“Bounties are doubled for qualifying findings in Lockdown Mode, up to a maximum of \$2,000,000 – the highest maximum bounty payout in the industry,” said Apple. “Apple makes the most secure mobile devices on the market. Lockdown Mode is a groundbreaking capability that reflects our unwavering commitment to protecting users from even the rarest, most sophisticated attacks,” said Ivan Krsti, Apple's head of Security Engineering and Architecture.