

# Info Capsule

Wednesday  
April 07, 2021

**President :** CS Nagendra D. Rao

**Vice President :** CS Devendra V. Deshpande

- **Justice NV Ramana appointed as next Chief Justice of India, to take oath on April 24 (April 6, 2021)**

President Ram Nath Kovind on April 06, 2021 appointed Justice NV Ramana as the next Chief Justice of India. He will take oath on April 24, 2021. Ramana will succeed Justice Sharad Arvind Bobde. Last month, CJI Bobde had recommended senior-most judge Justice Ramana as his successor and the 48th Chief Justice of India. Bobde will retire on April 23.

*For details:*

<https://www.financialexpress.com/india-news/justice-nv-ramana-appointed-as-next-chief-justice-of-india-to-take-oath-on-april-24/2227762/>



**THE INSTITUTE OF  
Company Secretaries of India**

**भारतीय कम्पनी सचिव संस्थान**

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## ❖ *Securities Laws and Capital Markets*

### **SEBI Circular**

- **Setting up of Limited Purpose Clearing Corporation (LPCC) by Asset Management Companies (AMCs) of Mutual Fund (April 06, 2021)**

SEBI has modified the paragraph 4 of circular dated February 02, 2021 on the subject which states that the contribution from AMCs shall be in proportion to the Average AUM of open ended debt oriented mutual fund schemes (excluding overnight, gilt fund and gilt fund with 10-year constant duration but including conservative hybrid schemes) managed by them for the Financial Year (FY) 2019-20.

As per latest circular, the contribution of AMCs will be based on average AUM of debt oriented schemes for the financial year 2020-21.

*For details:*

[https://www.sebi.gov.in/legal/circulars/apr-2021/setting-up-of-limited-purpose-clearing-corporation-lpcc-by-asset-management-companies-amcs-of-mutual-funds\\_49770.html](https://www.sebi.gov.in/legal/circulars/apr-2021/setting-up-of-limited-purpose-clearing-corporation-lpcc-by-asset-management-companies-amcs-of-mutual-funds_49770.html)

### **SEBI News**

- **Chairman's Speech at 14th CII Corporate Governance Summit**

Mr. Ajay Tyagi, Chairman, SEBI addressed at 14th CII Corporate Governance Summit held on April 06, 2021 over the virtual platform. Some of the key highlights of the speech inter-alia covers:

- Adequate level of disclosures, risk assessment and sound digital infrastructure and high standards of data protection and cyber-security as critical issues since the onset of COVID - 19.

- Steps taken by SEBI to improve the ease of compliance by promoters covering review of regulatory framework for re-classification of promoter / promoter group
- Revamp of rights issue process to make fund raising easier and review of framework of Innovators Growth Platform to make the platform more accessible to the start-ups and new age entrepreneurs.
- The underlying idea for separation of the roles of Chairperson of the Board and MD / CEO of a listed company is to provide a better and more balanced governance structure by enabling more effective supervision of the management and not to weaken the position of promoter.
- Improvement in gender diversity at the board level, however, the representation of women in key board committees such as the audit committee and nomination and remuneration committee remains quite low.

*For details:*

[https://www.sebi.gov.in/media/speeches/apr-2021/chairman-s-speech-dated-april-06-2021-at-14th-cii-corporate-governance-summit\\_49762.html](https://www.sebi.gov.in/media/speeches/apr-2021/chairman-s-speech-dated-april-06-2021-at-14th-cii-corporate-governance-summit_49762.html)

### ❖ **Banking & Insurance**

#### • **RTGS, NEFT money transfer facilities extended beyond banks (April 7, 2021)**

Reserve Bank of India on April 7, 2021 extended the National Electronic Funds Transfer (NEFT) and real-time gross settlement (RTGS) facilities to digital payments intermediaries. Till now, only banks were allowed to use RTGS and NEFT payments facility. RBI also kept interest rates unchanged and maintained an accommodative stance. The Monetary Policy Committee (MPC) kept its estimate for economic growth unchanged at 10.5 per cent for the current fiscal.

*For details:*

<https://www.livemint.com/industry/banking/rtgs-neft-money-transfer-facilities-extended-beyond-banks-11617771581551.html>

### ❖ **Terminology for today**

#### **Blended Value**

A conceptual framework viewing the value a company creates as unified and holistic rather than as separate elements (environmental, social, financial, etc).

## ❖ Business News

### • Byju's acquires Aakash Educational Services in nearly \$1-billion deal (April 6, 2021)

Byju's is acquiring tutorial chain Aakash Educational Services Ltd. (AESL) in a cash and stock deal estimated at \$950 million, sealing its largest buyout. India's most-valued edtech startup snagged coding tutor WhiteHatJr in a \$300-million deal amid the pandemic last year. Byju's buyout of AESL is also among the largest acquisitions by an Indian startup — bigger than Snapdeal's purchase of Freecharge for \$400 million in 2015 and Flipkart's acquisition of Myntra for an estimated \$330 million in 2014.

*For details:*

<https://economictimes.indiatimes.com/tech/startups/byjus-to-acquire-aakash-educational-services-in-700-million-deal/articleshow/81910598.cms?from=mdr>

## ❖ International Business

### • Indian Market see ₹2.74 lakh crore worth FPI inflows during FY 21 (April 6, 2021)

The Finance Ministry on Tuesday, April 6, 2021 said India witnessed strong Foreign Portfolio Investment (FPI) inflows into the equity markets to the tune of ₹2,74,034 crore during 2020-21. This reflects steadfast confidence of foreign investors in the fundamentals of the Indian economy.

*For details:*

<https://www.livemint.com/news/india/indian-market-sees-rs-2-74-lakh-cr-worth-fpi-inflows-during-fy21-11617692846380.html>

## ❖ Market Watch

Stock Market Indices as on 07.04.2021	
S & P BSE Sensex	49661.76 (+460.37)
Nifty 50	14819.05 (+135.55)

Foreign Exchange Rates as on 06.04.2021 <i>(https://www.geojit.com/currency-futures/rbi-reference-rate)</i>			
INR / 1 USD	INR / 1GBP	INR / 1 EUR	INR/ 1 JPY
73.25	101.60	86.30	0.66

❖ **Pronouncement**

April 06, 2021

IN THE MATTER OF : Ambuja Cements Limited (Appellant)

NCLAT

**Fact of the case**

A scheme of Merger of 'DIRK India Pvt. Ltd.' (Amalgamating Company/Transferor Company) with the Appellant Company (Amalgamated Company/Transferee Company) under Section 230 of the Companies Act, 2013 was approved by the Board of Directors. The present appeal arises against the order passed by the NCLT, Ahmedabad Bench, whereby the Learned NCLT did not allow dispensation of the meeting of the Equity Shareholders and Creditors of the Appellant Company due to the reason that it has large number of shareholders and creditors and none of them have filed their consent and no objection towards the scheme of merger/amalgamation.

**Judgment**

The NCLAT observed that as the Appellant Company (Transferee Company) is a 100% holding of its Subsidiary Company (Transferor Company). Therefore, there is no issuance of any new shares, there is no reorganisation of share capital of the Appellant Company and no arrangement wherein shareholders have to compromise with creditors of the Transferor Company. Further, the net worth of the Appellant Company is highly positive in compare to the net worth of the Transferor Company.

Further, as held by the Hon'ble Supreme Court that a Coordinate Bench of a court cannot pronounce Judgement contrary to declaration of law by another Bench. In the Present case, the NCLT Ahmedabad Bench erred in not following its own order passed in 'Vodafone Idea Ltd.', wherein similar facts are involved. Hence, in view of the forgoing reasons the order of the NCLT, Ahmedabad bench is set aside. Accordingly, the meetings of the Equity shareholder, Secured and Unsecured Creditors of the Appellant Company has been dispensed with and the matter is remanded back to the NCLT for further Consideration.

For details:

<https://nclat.nic.in/Useradmin/upload/1986087591606c486f83fc9.pdf>

**Prepared by Directorate of Academics**

For any suggestions, please write to [academics@icsi.edu](mailto:academics@icsi.edu), or call at 01204082116

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