

Info Capsule

Monday
November 01, 2021

President : CS Nagendra D. Rao

Vice President : CS Devendra V. Deshpande

❖ Ministry of Corporate Affairs

Extension of last date of filing of Cost Audit Report to the Board of Directors under Rule 6(5) of the Companies (Cost Records and Audit) Rules, 2014-reg. (October 29, 2021)

In view of the disruption caused by the COVID-19 pandemic, the MCA has further extended the last date of filing of Cost Audit Report to the Board of Directors under Rule 6(5) of the Companies (Cost Records and Audit) Rules, 2014 to November 30, 2021.

For details:

<https://www.mca.gov.in/bin/dms/getdocument?mds=A5nNeF4Hy8RsmbJKnnKERw%253D%253D&type=open>



**THE INSTITUTE OF
Company Secretaries of India**

भारतीय कम्पनी सचिव संस्थान

IN PURSUIT OF PROFESSIONAL EXCELLENCE

Statutory body under an Act of Parliament

(Under the jurisdiction of Ministry of Corporate Affairs)



❖ NCLT/NCLAT News

Former SC Judge Justice Ashok Bhushan appointed as NCLAT Chief for 4 Years (October 29, 2021)

Former Supreme Court Judge, Justice Ashok Bhushan has been appointed the chairperson of the National Company Law Appellate Tribunal (NCLAT). Additionally, former chief justice of Manipur High Court, Justice Ramalingam Sudhakar was appointed the president of the National Company Law Tribunal (NCLT).

For details:

<https://www.outlookindia.com/website/story/business-news-retire-supreme-court-judge-justice-ashok-bhushan-appointed-nclat-chairperson/399209>

❖ Securities Laws & Capital Market

SEBI News

• **SEBI warns Vedanta over related-party transactions (October 30, 2021)**

Capital market regulator SEBI has warned billionaire Anil Agarwal's Vedanta Ltd. for executing Rs 1,407 crore of related-party transactions without prior approval of the audit committee. In a warning letter, which Vedanta as per SEBI directions disclosed to stock exchanges, the regulator said it will take action if such actions were repeated in future. The mining conglomerate's independent auditors had in the firm's annual report for fiscal year 2020-21 flagged related-party transactions. "With regard to the qualified opinion in respect of the company executing related party transactions worth Rs 1,407 crore without prior approval of the audit committee, the company has submitted that the said transaction was ratified later (after a period of about 47 days).

For details:

<https://economictimes.indiatimes.com/markets/stocks/news/sebi-warns-vedanta-over-related-party-transactions/articleshow/87392383.cms>

- **Govt invites applications for post of SEBI chairman in place of Ajay Tyagi (October 30, 2021)**

The finance ministry has invited applications to appoint the next chairman of the Securities and Exchange Board of India (SEBI) to succeed Ajay Tyagi, whose five-year term comes to an end in February. Tyagi, a 1984 batch IAS officer of Himachal Pradesh cadre, was appointed as SEBI chairman on March 1, 2017, for a period of three years. Subsequently, he was given a six-month extension and later in August 2020, tenure was extended by 18 months. In a public notice dated October 28, the ministry has invited applications from eligible candidates for the post of SEBI chairman for a maximum period of five years or till 65 years, whichever is earlier.

For details:

<https://economictimes.indiatimes.com/markets/stocks/news/govt-invites-applications-for-post-of-sebi-chairman-in-place-of-ajay-tyagi/articleshow/87392102.cms>

❖ **International Business News**

Looking forward to meeting again in Indonesia in 2022 and in India in 2023: G20 leaders (November 1, 2021)

As the G-20 Summit in Rome came to a close on Sunday, October 31st, 2021 the leaders of the world's 20 biggest economies said they are looking forward to meeting again in Indonesia in 2022 and in India in 2023, while New Delhi asserted that it will continue to represent the voice of the developing world and protect the interests of humanity.

For details:

<https://www.indiatoday.in/world/story/looking-forward-meeting-again-indonesia-2022-india-2023-g20-leaders-1871808-2021-11-01>

❖ **Market Watch**

Stock Market Indices as on 01.11.2021

S & P BSE Sensex	60138.46 (+831.53)
Nifty 50	17929.65 (+258)

Foreign Exchange Rates as on 29.10.2021

(<https://www.geojit.com/currency-futures/rbi-reference-rate>)

INR / 1 USD	INR / 1 EUR	INR / 1 GBP	INR / 1 JPY
74.80	87.04	102.97	0.66

❖ **Banking and Insurance**

• **Opening of Current Accounts by Banks - Need for Discipline (October 29, 2021)**

On a review and taking into account feedback received from Indian Banks' Association (IBA) and other stakeholders, it has been decided that banks may open current accounts for borrowers who have availed credit facilities in the form of cash credit (CC)/ overdraft (OD) from the banking system subject to certain conditions related to exposure of the banking system.

For details: <https://www.rbi.org.in/Scripts/NotificationUser.aspx?Id=12184&Mode=0>

• **591st Meeting of Central Board of the Reserve Bank of India (October 29, 2021)**

The 591st meeting of the Central Board of Directors of Reserve Bank of India was held on October 29, 2021 under the Chairmanship of Shri Shaktikanta Das, Governor at Mumbai. The Board in its meeting reviewed the current domestic and global economic situation and challenges. The Board deliberated on possible measures for addressing the emerging challenges. The Board also discussed the working of sub-committees of the Central Board and activities of a few Central Office Departments including the nationwide survey among bank customers regarding banks' grievance redress system and the functioning of the Ombudsman schemes. The Board also congratulated the Governor on his reappointment.

For details: https://www.rbi.org.in/Scripts/BS_PressReleaseDisplay.aspx?prid=52478

• **Indian Bank reports frauds of over Rs. 266 cr in three accounts to RBI (October 30, 2021)**

Indian Bank on October 30, 2021 said it has reported over Rs. 266 crore worth of fraud to the Reserve Bank, relating to three NPA accounts. These Non-Performing Accounts have been declared as fraud and reported to RBI as per regulatory requirement.

For details:

<https://www.financialexpress.com/industry/banking-finance/indian-bank-reports-frauds-of-over-rs-266-cr-in-three-a-cs-to-rbi/2360228/>

• **Finance Ministry issues uniform norms for accountability to protect bonafide decision of bankers (October 31, 2021)**

To protect the people taking bonafide business decisions, the finance ministry has issued a uniform staff accountability framework for NPA accounts up to Rs. 50 crore. These guidelines shall be implemented with effect from April 1, 2022, for accounts turning Non-Performing Assets (NPAs) beginning next financial year.

For details:

<https://economictimes.indiatimes.com/industry/banking/finance/banking/finance-ministry-issues-uniform-norms-for-accountability-to-protect-bonafide-decision-of-bankers/articleshow/87428966.cms>

- **Banks and NBFCs fuel higher consumer spending in India with easy credit (November 01, 2021)**

Some of India's top lenders and shadow finance companies are helping fuel demand among consumers wanting to splurge on everything from clothes to two-wheelers and homes, offering hopes of a consumption-driven recovery in Asia's third-largest economy.

For details:

<https://www.livemint.com/industry/banking/banks-and-nbfc-fuel-higher-consumer-spending-in-india-with-easy-credit-11635724048503.html>

- **SBI research sees higher job formalisation rate this fiscal (November 01, 2021)**

SBI Research report said that almost 3.66 million jobs were formalised till August 2021 since 2017-18 and pegged the size of the informal economy at 15-20% of formal GDP. It asked the government to ensure that the existing tax structure is favourable to the taxpaying population, which constituted 8.5% of the total population and cross-subsidised 91.5% of the population.

For details:

<https://economictimes.indiatimes.com/industry/banking/finance/banking/sbi-research-sees-higher-job-formalisation-rate-this-fiscal/articleshow/87441952.cms>

❖ ***Ethics and Governance News***

- **'Last, best hope': Crucial UN climate summit opens in Glasgow (November 01, 2021)**

The UN climate summit in Glasgow opened on Sunday with appeals for action and prayers, kicking off two weeks of intense diplomatic negotiations by almost 200 countries on how to tackle the common challenge of intensifying global warming. The newly opened summit remains our last, best hope to keep 1.5 in reach, said Alok Sharma, the British government minister chairing the Glasgow talks, known as COP26.

For details:

https://www.business-standard.com/article/current-affairs/last-best-hope-crucial-un-climate-summit-opens-in-glasgow-121103100691_1.html

❖ ***Terminology for today***

Central Limit Theorem

In probability theory, the central limit theorem (CLT) states that the distribution of a sample variable approximates a normal distribution (i.e., a "bell curve") as the sample size becomes larger, assuming that all samples are identical in size, and regardless of the population's actual distribution shape.

❖ **Business and Economic News**

- **Cooperative sector can turn India into USD 5-trillion economy, make agriculture 'atmanirbhar': Amit Shah (October 31, 2021)**

Union Home and Cooperation Minister Amit Shah said the cooperative sector has a potential to turn India into a USD 5 trillion economy and will also prove crucial in making the agriculture sector self-reliant. He also stressed the need to implement the cooperative model, which is behind the success of milk giant Amul, to uplift agriculture and its allied sectors.

For details:

<https://www.financialexpress.com/economy/cooperative-sector-can-turn-india-into-usd-5-trillion-economy-make-agriculture-atmanirbhar-amit-shah/2360650/>

- **Bombay High Court division bench defers hearing on Zee-Invesco case to November 29 (October 30, 2021)**

A division bench of the Bombay High Court on October 29, 2021 deferred the hearing of a suit filed by Invesco Developing Markets Fund, challenging an injunction order by the Court, to November 29.

On October 28, 2021, the largest investor in Zee Entertainment Enterprises (ZEEL), Invesco, filed an ordinary suit challenging a Bombay High Court injunction order that restrained the company from convening an Extraordinary General Meeting (EGM).

For details:

<https://www.financialexpress.com/industry/bombay-high-court-division-bench-defers-hearing-on-zee-invesco-case-to-november-29/2359794/>

- **SC allows new board of Unitech to appoint PMCs for completion of stalled projects (October 29, 2021)**

In a boost for completion of the stalled project of Unitech Group, the Supreme Court on October 28, 2021 gave its nod to the new management of the real estate company to appoint Project Management Consultants (PMC).

The bench said that work can be awarded to the PMCs in part A projects and also fixed a fee for their work. The top court also took note of the Action Taken Report (ATR) filed by the new board of management about the settlement of claims with Suraksha ARC saying no resolution has been found yet.

For details:

<https://www.moneycontrol.com/news/business/sc-allows-new-board-of-unitech-to-appoint-pmcs-for-completion-of-stalled-projects-7648961.html>

- **Reliance Deal: Delhi High Court rejects FRL plea for stay on tribunal order (October 30, 2021)**

The Delhi High Court on Friday dismissed Future Retail's plea seeking a stay on the Singapore Arbitration Tribunal's October 21 order that refused to allow Future Group to go ahead with its Rs 24,713-crore merger deal with Reliance Retail.

Justice Suresh Kumar Kait, while seeking response of Amazon on FRL's appeal against the Singapore International Arbitration Centre's (SIAC) interim order, posted the matter for further hearing on January 4.

For details:

<https://www.financialexpress.com/industry/reliance-deal-delhi-high-court-rejects-frl-plea-for-stay-on-tribunal-order/2359880/>

Prepared by Directorate of Academics

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