

Info Capsule

Wednesday
April 06, 2022

President : CS Devendra V. Deshpande

Vice President : CS Manish Gupta

❖ **Insolvency and Bankruptcy**

Insolvency and Bankruptcy Board of India (Voluntary Liquidation Process) (Amendment) Regulations, 2022 (April 05, 2022)

In exercise of the powers conferred by section 196(1)(t) read with section 240 of the Insolvency and Bankruptcy Code, 2016, the Insolvency and Bankruptcy Board of India amended the Insolvency and Bankruptcy Board of India (Voluntary Liquidation Process) Regulations, 2017.

Insolvency and Bankruptcy Board of India (Voluntary Liquidation Process) (Amendment) Regulations, 2022 *inter alia* provides that the liquidator shall endeavour to complete the liquidation process of the corporate person and submit the Final Report under regulation 38 within : (a) two hundred and seventy days from the liquidation commencement date where the creditors have approved the resolution under section 59(3)(c) or regulation 3(1)(c) and (b) ninety days from the liquidation commencement date in all other cases.

Further, the liquidator shall submit the Final Report and the compliance certificate in Form-H along with the application under section 59(7) to the Adjudicating Authority.

For details:

<https://egazette.nic.in/WriteReadData/2022/234852.pdf>



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)



❖ **Securities Laws & Capital Markets**

SEBI Circular

Revision of UPI limits in Public Issue of Equity Shares and convertibles (April 05, 2022)

SEBI vide this circular has provided that all Individual Investors applying in Public Issues where the application amount is upto 5 Lakhs shall use Unified Payment Interface (UPI) and shall also provide their UPI ID in the bid-cum-application form submitted with a syndicate member, stock broker, depository participant ('DP') and registrar to an issue and share transfer agent. The provisions of this circular shall come into force for Public Issues opening on or after May 01, 2022.

For details:

https://www.sebi.gov.in/legal/circulars/apr-2022/revision-of-upi-limits-in-public-issue-of-equity-shares-and-convertibles_57589.html

SEBI News

SEBI invites application to hire digital forensic services provider (April 05, 2022)

Capital markets regulator SEBI is planning to hire an agency that will provide assistance to its search team for onsite data acquisition during search and seizure operations. In this regard, SEBI has invited applications from eligible service providers experienced in digital forensic services for acquisition, extraction and analysis of digital evidence from mobile, computers, and tablets, among others, on an ongoing basis. This comes in the backdrop of the SEBI crackdown against entities allegedly involved in a front-running scam using messaging app Telegram. Recently, the regulator carried out a search and seizure operation at the premises of several entities in multiple locations across the country in the matter.

For details:

https://www.business-standard.com/article/markets/sebi-invites-application-to-hire-digital-forensic-services-provider-122040500693_1.html

❖ **Direct Tax**

• **Income tax 6th Amendment Rules, 2022 [Notification No. 24 Dated 4th April, 2022]**

CBDT notifies Income Tax Rule 21AAA i.e. Taxation of income from retirement benefit account maintained in a notified country and FORM No. 10-EE vide Notification No. 24/2022.

For details:

<https://incometaxindia.gov.in/communications/notification/notification-24-2022.pdf>

• **CBDT notifies 4 Countries under section 89A of Income-tax Act, 1961 [Notification No. 25 Dated 4th April, 2022]**

CBDT notifies Canada, United Kingdom of Great Britain, Northern Ireland and United States of America under section 89A of the Income-tax Act, 1961 vide Notification No. 25/2022.

For details:

<https://incometaxindia.gov.in/communications/notification/notification-no-25-2022.pdf>

• **Income tax 7th Amendment Rules, 2022 [Notification No. 26 Dated April 5, 2022]**

The Central Board of Direct Taxes hereby makes the Income-tax (Seventh Amendment) Rules, 2022 as per which after PART IX-A, PART IX-AA related to Dispute Resolution Committee shall be inserted as follows:

PART IX-AA DISPUTE RESOLUTION COMMITTEE

Rule 44DAA - Constitution of Dispute Resolution Committee

Rule 44DAB - Application for resolution of dispute before the Dispute Resolution Committee

Rule 44DAC - Power to reduce or waive penalty imposable or grant immunity from prosecution or both under the Act

Rule 44DAD - Definitions (Dispute Resolution Committee, Specified Order, Specified Condition, Specified Person)

FORM NO. 34BC - Application to the Dispute Resolution Committee

For details: <https://egazette.nic.in/WriteReadData/2022/234848.pdf>

• **e-Dispute Resolution Scheme, 2022 [Notification No. 27 dated April 5, 2022]**

The Central Government hereby makes e-Dispute Resolution Scheme, 2022. The scheme specifies the following:

- Scope and Procedure
- Application for Dispute Resolution and Screening of Application by Committee
- Procedure to be followed by Dispute Resolution Committee
- Powers of the Dispute Resolution Committee

- Waiver of penalty imposable and Immunity from prosecution
- Appeal or revision
- Authorisation to be filed
- Exchange of communication exclusively by electronic mode
- Authentication and Delivery of electronic record
- No personal appearance before the Dispute Resolution Committee
- Proceedings not open to the public
- Language of the Dispute Resolution Committee
- Power to specify format, mode, procedure and processes

For details: <https://egazette.nic.in/WriteReadData/2022/234851.pdf>

❖ **Banking**

• **Review of Requirement of Counter-Cyclical Capital Buffer (April 05, 2022)**

The framework on Countercyclical Capital Buffer (CCyB) was put in place by the Reserve Bank in terms of guidelines issued on February 5, 2015 wherein it was advised that the CCyB would be activated as and when the circumstances warranted, and that the decision would normally be pre-announced. The framework envisages the credit-to-GDP gap as the main indicator, which may be used in conjunction with other supplementary indicators. Based on the review and empirical analysis of the CCyB indicators, it has been decided that it is not necessary to activate CCyB at this point in time.

For details: https://www.rbi.org.in/Scripts/BS_PressReleaseDisplay.aspx?prid=53516

• **Bad loans to decline to 5.6-5.7% level by March 2023, says ICRA (April 05, 2022)**

The asset quality of the Indian banking system is set to improve further with its gross Non-Performing Assets (NPAs) estimated to decline to 5.6-5.7 per cent by March 2023 from 6.2-6.3 per cent in March 2022, according to ICRA. The NPAs will decline to 1.7-1.8 per cent by end of the current financial year (FY23) as against an estimate of 2 per cent by March 2022.

For details:

https://www.business-standard.com/article/finance/bad-loans-to-decline-to-5-6-5-7-level-by-march-2023-says-icra-122040500466_1.html

• **MPC meet: Analysts bet on rate retention, revision of forecasts (April 06, 2022)**

The Monetary Policy Committee (MPC) of the Reserve Bank of India (RBI), which begins its three-day meeting on April 06, 2022, is likely to keep the main policy rates unchanged in the first bi-monthly policy review this fiscal.

For details:

<https://indianexpress.com/article/business/banking-and-finance/mpc-meet-analysts-bet-on-rate-retention-revision-of-forecasts-7854594/>

❖ **Competition Law**

CCI penalises firms found guilty of bid rigging and cartelization in Indian Railways tenders (April 05, 2022)

The Competition Commission of India (CCI) issued a final order against eleven (11) companies/ firms which were found to have contravened the provisions of Sections 3(3)(a), 3(3)(b), 3(3)(c) and 3(3)(d) read with Section 3(1) of the Competition Act, 2002 (Act), which proscribe anti-competitive agreements. The case was initiated on the basis of a reference filed on behalf of the North Western Railways.

CCI found these companies/ firms to have indulged in cartelisation in the supply of High Performance Polyamide Bushes (HPPA) and Self Lubricating Polyester Resin Bushes (SLPR) to the Indian Railways by means of directly or indirectly determining prices, allocating tenders, controlling supply and market, co-ordinating bid prices and manipulating the bidding process. The evidence in the matter included regular e-mail communications and WhatsApp exchanges between the parties, quoting of identical/ similar prices by certain parties, filing of bids from same IP addresses by certain parties in close proximity etc. Of the eleven (11) entities, four (04) were lesser penalty applicants before the CCI. Under Section 46 of the Act, a cartel member may approach the Commission by way of filing an application seeking lesser penalty, in return for providing full, true and vital disclosures in respect of the alleged cartel to the Commission.

For details:

https://www.cci.gov.in/sites/default/files/press_release/PR03-2022-23.pdf

❖ **Market Watch**

Stock Market Indices as on 06.04.2022	
S & P BSE Sensex	59610.41 (-566.09)
Nifty 50	17807.65 (-149.75)

Foreign Exchange Rates as on 05.04.2022 <i>(https://www.geojit.com/currency-futures)</i>			
INR / 1 USD	INR / 1 EUR	INR / 1 GBP	INR/ 1 JPY
75.15	82.26	98.52	0.61

❖ *Technology and Automation*

• **Renewal of Contemporary Technology in Food Processing Industries (April 05, 2022)**

The Government is implementing National Action Plan on Climate Change (NAPCC) which is the overarching policy framework for climate action in the country. In line with the NAPCC, many schemes and programs have been launched to scale up India's action on both, the adaptation and mitigation. Financial assistance is also provided by the Ministry of Food Processing Industries to various institutions/research organization for R & D activities including for developing green/low carbon foot print technologies for food processing sector.

For details:

<https://www.pib.gov.in/PressReleasePage.aspx?PRID=1813636>

• **Integrated Clean Energy Material Acceleration Platform launched & funding opportunity announced for Hydrogen Valley Platform at Mission Innovation meeting (April 05, 2022)**

Three Integrated Clean Energy Material Acceleration Platforms were launched at the Mission Innovation Annual Gathering session on 4th April 2022, where new Energy Innovation Collaborations were announced. Minister of Science and Technology Dr Jitendra Singh awarded the citations to the three centres leads of the Clean Energy Material Acceleration Platforms.

These Material Acceleration Platforms set up by the Department of Science and Technology (DST) would leverage emerging capabilities in next-generation computing, artificial intelligence (AI) and machine learning (ML), and robotics to accelerate the pace of materials discovery up to 10 times faster. The platforms constitute a knowledge network of more than 38 elite institutions and 80 research personnel working on next-generation low-cost advanced energy materials.

For details: <https://www.pib.gov.in/PressReleasePage.aspx?PRID=1813706>

❖ *Terminology for today*

Platykurtic

The term "platykurtic" refers to a statistical distribution in which the excess kurtosis value is negative. For this reason, a platykurtic distribution will have thinner tails than a normal distribution will, resulting in fewer extreme positive or negative events. The opposite of a platykurtic distribution is a leptokurtic distribution, in which excess kurtosis is positive.

❖ **Ethics and Governance News**

● **India needs \$17.77 trillion to meet long term net-zero goals: Report (April 5, 2022)**

The country will need USD 17.77 trillion to meet its long term net-zero goals but it will have to find additional resources worth USD 12.4 trillion to complete the green journey, according to a study. If this funding gap is met from external sources then household spending will rise by USD 7.9 trillion, it added.

According to a study by British lender Standard Chartered Bank, emerging markets, as a whole, will need an additional USD 94.8 trillion, an amount higher than their annual global GDP, if they are to meet climate goals without hitting their citizens' cost of living.

For details:

<https://economictimes.indiatimes.com/industry/renewables/india-needs-17-77-trillion-to-meet-long-term-net-zero-goals-report/articleshow/90670600.cms>

● **India Inc raises record green capital of \$19 bn in 2021 (April 5, 2022)**

India Inc has raised a record USD 19 billion in green capital in 2021, led by Wall Street major Bank of America, which is only a fraction of the USD 1 trillion that global corporations raised in green financing in the year. While corporate India raised USD 19 billion in green capital in 2021, Bank of America participated in USD 15.65 billion. Globally, the Wall Street major was part of a fourth of the USD 1-trillion green funding drive, helping mop up USD 250 billion, the bank said.

For details:

<https://www.financialexpress.com/industry/india-inc-raises-record-green-capital-of-19-bn-in-2021/2482750/>

Prepared by Directorate of Academics

For any suggestions, please write to academics@icsi.edu.

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