

Info Capsule

Wednesday
December 08, 2021

President : CS Nagendra D. Rao

Vice President : CS Devendra V. Deshpande

❖ Ministry of Finance

India, ADB sign \$125 million loan to improve water supply and sanitation in Uttarakhand (December 07, 2021)

The Government of India and the Asian Development Bank (ADB) today signed a \$125 million loan to improve access to safe and affordable drinking water supply and citywide inclusive sanitation services in Dehradun and Nainital cities in the state of Uttarakhand. Mr. Rajat Kumar Mishra, Additional Secretary, Department of Economic Affairs, Ministry of Finance, signed for the Government of India the agreement for the Uttarakhand Integrated and Resilient Urban Development Project while Mr. Takeo Konishi, Country Director of ADB's India Resident Mission, signed for ADB.

For details:

<https://www.pib.gov.in/PressReleasePage.aspx?PRID=1778883>



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भारतीय कम्पनी सचिव संस्थान
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(Under the jurisdiction of Ministry of Corporate Affairs)



❖ Securities Laws & Capital Markets

Consultation Paper regarding developing “One Commodity One Exchange” (December 07, 2021)

SEBI has placed a consultation paper for public comments on the proposal regarding developing the concept of “One Commodity One Exchange” so as to reduce fragmentation of liquidity and help every stock exchange to develop an exclusive set of un-fragmented liquid contracts. The comments/suggestions may be sent by email to cdmrd_ocoe@sebi.gov.in within one month from date of uploading of this consultation paper on the SEBI Website.

For details:

https://www.sebi.gov.in/reports-and-statistics/reports/dec-2021/consultation-paper-on-developing-unique-set-of-commodities_54473.html

❖ Insolvency and Bankruptcy

RBI retains three-member Advisory Committee of Reliance Capital (December 08, 2021)

A day after NCLT admitted RBI's petition for insolvency resolution of Reliance Capital, the central bank on Tuesday said it has retained the three-member Advisory Committee to assist the newly appointed administrator of the crisis-ridden NBFC.

The Mumbai bench of the National Company Law Tribunal (NCLT) on December 06, admitted the Reserve Bank's plea to initiate insolvency resolution proceedings against Reliance Capital.

For details:

https://www.business-standard.com/article/economy-policy/rbi-retains-three-member-advisory-committee-of-reliance-capital-121120701241_1.html

❖ **Business and Economic News**

- **Till September, 421 cases resolved under insolvency law; 1,149 cases went for liquidation (December 07, 2021)**

Hon'ble Finance and Corporate Affairs Minister Smt. Nirmala Sitharaman told the Rajya Sabha on December 07, 2021-"If no resolution plan is received or no resolution plan is approved by the Adjudicating Authority, the corporate entity proceeds to liquidation. Till 30th September, 2021, 1,419 CIRPs have yielded orders for liquidation, having liquidation value of Rs 52,036 crore."

In a written reply, the minister also said the total amount of admitted claims of financial creditors in respect of 421 corporate debtors, which have been resolved through a resolution plan, is Rs 7.19 lakh crore while the amount realisable is Rs 2.46 lakh crore.

For details:

<https://economictimes.indiatimes.com/news/economy/finance/till-september-421-cases-resolved-under-insolvency-law-1149-cases-went-for-liquidation/articleshow/88147977.cms>

- **Can't term bad business calls fraud : NCLT (December 07, 2021)**

The bankruptcy court has clarified in an order related to RTIL Ltd (erstwhile Reid & Taylor India) that a 'bad commercial business decision' may have led to a loss for the company, but it cannot be considered fraudulent on that account. The Mumbai bench of the National Company Law Tribunal (NCLT) dismissed a plea filed by the Resolution Professional of RTIL to declare business transactions to the tune of ₹1019.48 crore 'fraudulent'.

For details:

<https://economictimes.indiatimes.com/industry/banking/finance/banking/cant-term-bad-business-calls-fraud-nclt/articleshow/88134509.cms>

❖ **Market Watch**

| Stock Market Indices as on 08.12.2021 | |
|--|----------------------|
| S & P BSE Sensex | 58649.68 (+1,016.03) |
| Nifty 50 | 17469.75 (+293.05) |

| Foreign Exchange Rates as on 07.12.2021 (https://www.geojit.com/currency-futures/rbi-reference-rate.aspx) | | | |
|---|-------------|-------------|-------------|
| INR / 1 USD | INR / 1 EUR | INR / 1 GBP | INR / 1 JPY |
| 75.24 | 84.93 | 99.69 | 0.66 |

❖ **Consumer Protection**

Consumer Protection (Search and Seizure and Compounding of offences by the Central Authority and Crediting of Penalty) Rules, 2021 (December 06, 2021)

Ministry of Consumer Affairs, Food and Public Distribution published the Consumer Protection (Search and Seizure and Compounding of offences by the Central Authority and Crediting of Penalty) Rules, 2021 on December 6, 2021. The rules *inter-alia* provides for *compounding procedures, seizure procedure, credit of penalty to Consolidated Fund of India, form of Affidavit etc.* These rules came into force w.e.f. 6th December, 2021.

For details:

<https://egazette.nic.in/WriteReadData/2021/231633.pdf>

❖ **Terminology for today**

Burn Rate

The ratio of shares granted through a company's equity-based compensation plan and the number of shares outstanding (or authorized). Because equity compensation dilutes the ownership interest of shareholders, much attention is paid to the rate at which new shares are issued.

Prepared by Directorate of Academics

For any suggestions, please write to academics@icsi.edu, or call at 01204082116

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