

Info Capsule

Wednesday
November 17, 2021

President : CS Nagendra D. Rao

Vice President : CS Devendra V. Deshpande

❖ **Ministry of Finance**

Indian Prime Minister Shri Narendra Modi chairs Crypto Meeting after consulting with RBI, Finance Ministry (November 17, 2021)

Indian Prime Minister Shri Narendra Modi has reportedly chaired a comprehensive meeting on cryptocurrency and related issues in India. The meeting was an outcome of a consultative process involving the central bank, the Reserve Bank of India (RBI), the Ministry of Finance, and the Home Ministry.

For details:

<https://news.bitcoin.com/indian-prime-minister-modi-chairs-crypto-meeting-consulting-rbi-finance-ministry/>



**THE INSTITUTE OF
Company Secretaries of India**

भारतीय कम्पनी सचिव संस्थान

IN PURSUIT OF PROFESSIONAL EXCELLENCE

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❖ **Securities Laws & Capital Markets**

SEBI Circular

Schemes of Arrangement by Listed Entities (November 16, 2021)

SEBI has provided clarifications on the processing of draft schemes filed with the stock exchanges, and make certain amendments to the Circular dated December 22, 2020 regarding framework for Schemes of Arrangement by listed entities. These amendments are aimed at ensuring that the recognized stock exchanges refer draft schemes to SEBI only upon being fully convinced that the listed entity is in compliance with SEBI Act, Rules, Regulations and circulars issued thereunder.

For details:

https://www.sebi.gov.in/legal/circulars/nov-2021/scheme-of-arrangement-by-listed-entities_53967.html

Consultation Papers

- **Review of certain aspects of Public issue framework under SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 (November 16, 2021)**

SEBI has placed a consultation paper for public comments on SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 (ICDR Regulations) relating to framework of initial public offering with respect to the objects of the issue where object is to make future acquisition / strategic investment without identifying specific targets, conditions for offer for sale (OFS) by significant shareholders, lock-in of shares for Anchor Investors, monitoring of general corporate purpose (GCP) amount, latest by November 30, 2021, in the prescribed format.

For details:

https://www.sebi.gov.in/reports-and-statistics/reports/nov-2021/consultation-paper-on-review-of-certain-aspects-of-public-issue-framework-under-sebi-issue-of-capital-and-disclosure-requirements-regulations-2018_53983.html

- **Consultation Paper for Market Making in Corporate Bonds (November 16, 2021)**

SEBI has placed a consultation paper for public comments on Market Making in Corporate Bonds, latest by December 16, 2021, in the prescribed format. Market makers provide liquidity to facilitate efficiency in the functioning of the financial markets. The bond market is an important source of funds and a robust liquid bond market not only helps in cheaper and easier access to issuers, but also helps in widening the investor base.

For details:

https://www.sebi.gov.in/reports-and-statistics/reports/nov-2021/consultation-paper-for-market-making-in-corporate-bonds_53966.html

- **Extension of timeline for submission of public comments on the consultation paper for introduction of disclosure norms for ESG Mutual Fund Schemes (November 16, 2021)**

SEBI has extended the timeline for submission of public comments on the consultation paper for introduction of disclosure norms for ESG Mutual Fund Schemes to December 01, 2021. SEBI had placed a consultation paper for introduction of disclosure norms for ESG Mutual Fund Schemes on its website on October 26, 2021 seeking comments by November 16, 2021.

For details:

https://www.sebi.gov.in/reports-and-statistics/reports/nov-2021/extension-of-timeline-for-submission-of-public-comments-on-the-consultation-paper-for-introduction-of-disclosure-norms-for-esg-mutual-fund-schemes_53972.html

SEBI News

- **SEBI's SCORES platform disposed of 3,676 complaints in October (November 16, 2021)**

As many as 3,676 complaints, received through web-based centralised grievance redressal system, SCORES, have been disposed of against listed entities or market intermediaries in October, according to data disclosed by SEBI. Further, there were 4,159 complaints against which regulatory actions are initiated or which are under sub-judice as of October 31, 2021. The SCORE system, which was launched in June 2011, is a platform designed to help investors to lodge their complaints online with SEBI, pertaining to the securities market, against companies, intermediaries, and market infrastructure institutions.

For details:

https://www.business-standard.com/article/markets/sebi-s-scores-platform-disposed-of-3-676-complaints-in-october-121111601046_1.html

❖ **Banking and Insurance**

• **RBI withdraws 100 redundant circulars following recommendations from RRA (November 16, 2021)**

The Reserve Bank of India (RBI) has withdrawn more than 100 redundant circulars following recommendations made by the Regulations Review Authority (RRA). The redundant circulars withdrawn relate to certain norms concerning Foreign Investment in India by Foreign Portfolio Investors, RTGS, Know Your Customer (KYC), and Anti-Money Laundering (AML)/Combating of Financing of Terrorism (CFT) – Standards.

For details:

<https://www.livemint.com/industry/banking/rbi-withdraws-100-redundant-circulars-following-recommendations-from-rra-11637064664914.html>

• **India has the potential to grow at a reasonably high pace: RBI Governor (November 17, 2021)**

Shaktikanta Das said at the conclave, “I firmly believe that India has the potential to grow at a reasonably high pace in the post-pandemic scenario.” Despite many economists revising down their growth forecasts between 8.5 and 10 per cent for the current fiscal, the central bank has not changed its forecast of 9.5 per cent for the year so far.

For details:

<https://economictimes.indiatimes.com/industry/banking/finance/banking/india-has-the-potential-to-grow-at-a-reasonably-high-pace-rbi-governor/articleshow/87739178.cms>

❖ **Labour Laws**

Delhi Shops and Establishments (Amendment) Rules, 2021 (November 15, 2021)

In exercise of the powers conferred by sub-section (1) of Section 47 of the Delhi Shops and Establishments Act, 1954, the draft rules further to amend the Delhi Shops and Establishments Rules, 1954, was notified in the Delhi Gazette, Extra Ordinary Part IV vide notification no. 15(52)/Lab/2021/3618-3626 dated 24/09/2021, for the information of the persons likely to be affected thereby and notice was given that the said draft would be taken up for consideration, after the expiry of a period of 15 days from the date of publication of the notification in the Delhi Gazette together with the objections and suggestions received in respect thereto, by the stipulated period. No Objection or suggestion was received in the aforesaid period of 15 days and the said draft rules after taking approval of Lieutenant Governor, Delhi is finally published.

The Delhi Shops and Establishments (Amendment) Rules, 2021, inter-alia containing provisions: Form of submitting statement and other particulars, Manner of registering establishments and form of registration certificate, Form and manner of notifying change, deletion of certain forms, deletion of certain schedules etc.

For details:

<https://egazette.nic.in/WriteReadData/2021/231172.pdf>

❖ *International Business News*

India to benefit from Merger of Dubai Economic Department and Department of Tourism and Commerce Marketing (November 16, 2021)

Mr. Sheikh Mohammed bin Rashid, Vice President and Ruler of Dubai announced the merger of the Emirate's economy and tourism entities. Mr. Sheikh Mohammed said that global competitiveness requires new ways of thinking while announcing the merger of two entities which is now called Dubai's Department of Economy.

For details:

<https://timesofindia.indiatimes.com/business/international-business/india-to-benefit-from-merger-of-dubai-economic-department-and-department-of-tourism-and-commerce-marketing/articleshow/87732824.cms>

❖ *Terminology for today*

Mixer Company

Term used to designate an intermediate holding company the purpose of which is to "mix" income from various foreign sources in order to maximize the benefit of foreign tax credits. The mixer company receives income both from countries with a higher tax rate than that of the destination country and from countries with a lower tax rate, which it then pays out as a dividend. This structure has the effect of averaging out the rate of foreign tax paid.

❖ *Market Watch*

Stock Market Indices as on 17.11.2021	
S & P BSE Sensex	59978.73 (-343.64)
Nifty 50	17887.00 (-112.20)

Foreign Exchange Rates as on 16.11.2021 <i>(https://www.geojit.com/currency-futures/rbi-reference-rate.aspx)</i>			
INR / 1 USD	INR / 1 EUR	INR / 1 GBP	INR/ 1 JPY
74.28	84.88	99.72	0.65

❖ **Business and Economic News**

• **NCLT orders liquidation of Mehul Choksi-owned Nakshatra Brands (November 15, 2021)**

A Mumbai court has ordered the liquidation of Nakshatra Brands owned by fugitive diamond trader Mr. Mehul Choksi, who is charged with duping banks of thousands of crores of rupees. This would be another case where recoveries are likely to be less than 5% of the total exposure, estimated at about Rs 1,500 crore.

The Mumbai Bench of National Company Law Tribunal (NCLT) ordered the winding up of the entity, one of the group companies promoted by Mr. Choksi. The court appointed Mr. Santanu T Ray, a senior partner of AAA Insolvency Professionals LLP, as liquidator for this company. Prior to the liquidation order, Mr. Vijay Kumar Garg was appointed as the resolution professional dealing with the corporate insolvency resolution process. More than 70 percent lenders voted in favour of liquidation promoting the RP to file for a liquidation application.

For details:

<https://economictimes.indiatimes.com/industry/cons-products/fashion/-/cosmetics/-/jewellery/nclt-orders-liquidation-of-mehul-choksi-owned-nakshatra-brands/articleshow/87720202.cms>

• **McLeod Russel lenders entrust LSI Financial for revisiting viability of ops (November 16, 2021)**

Lenders to troubled tea maker McLeod Russel, part of financially-stressed Williamson Magor Group, have entrusted financial service provider LSI Financial Services for revisiting the viability of operations of the company and suggesting operational improvements needed for each of its tea gardens before restructuring the outstanding debt.

The company's lenders had in 2019 appointed LSI Financial Services to undertake a techno-economic feasibility study to formulate a resolution plan outside the scope of the insolvency resolution. As the banks are now keen to restructure the debt, they have entrusted LSI for revisiting the viability of operations, according to sources.

For details:

<https://www.financialexpress.com/industry/mcleod-russel-lenders-entrust-lsi-financial-for-revisiting-viability-of-ops/2369941/>

- **India received record FDI in last 7 yrs; hope to see the trend continue: Shri Piyush Goyal (November 16, 2021)**

India attracted "record" foreign direct investments in the last seven years and the trend is expected to continue in the coming years as well on account of major structural reforms being undertaken by the government, Commerce and Industry Minister Shri Piyush Goyal said on Tuesday. He also said that India is focusing on integrating its quality standards with the world and the country needs to let go of the mindset of a particular product being for the domestic market and others for the export market.

For details:

<https://economictimes.indiatimes.com/news/economy/finance/india-received-record-fdi-in-last-7-yrs-hope-to-see-the-trend-continue-piyush-goyal/articleshow/87735406.cms>

- **Rakesh Jhunjhunwala-backed Akasa Air orders 72 Boeing 737 MAX jets (November 16, 2021)**

Indian low-cost airline Akasa Air placed an order for 72 Boeing 737 MAX jets, a move that might help the U.S. planemaker regain lost ground in one of the world's most promising markets. Last month, SNV Aviation, which owns Akasa Air, said it expected to start flying next year after getting initial clearance from the civil aviation ministry to launch the country's latest ultra-low-cost carrier. India's air safety regulator in August allowed the country's airlines to fly the MAX jet to end its nearly two-and-a-half-years of regulatory grounding.

For details:

<https://indianexpress.com/article/business/aviation/akasa-air-boeing-737-rakesh-jhunjhunwala-7625927/>

Prepared by Directorate of Academics

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