

Info Capsule

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❖ Latest @ ICSI

Feedback on Company Forms in MCA21-V3 Portal

As you are aware, the Ministry of Corporate Affairs w.e.f. August 31, 2022 migrated filing of 9 Company Forms from MCA 21 V2 to V3 Portal.

The Ministry of Corporate Affairs w.e.f. January 23, 2023, has launched second set of Company Forms covering 56 forms on MCA21-V3 Portal for filing purposes. The list of all 56 Company Forms is available on MCA website.

The Institute of Company Secretaries of India, in its attempt to further facilitate the stakeholders and ensure smooth transition and implementation, is sharing your feedback to the Ministry of Corporate Affairs (MCA) on regular basis. Such feedback is constantly and closely monitored by MCA at all levels for timely resolution.

We request you to share your inputs/ issues/suggestions on filing of Company Forms in MCA V3 at the link given below:

<https://forms.gle/m5NGoCbt4TibuD196>

We thank you for your continued support and hope for association in the future as well.

❖ Business and Economics News

Vice President calls Company Secretaries as 'Custodians of Corporate Governance' (November 02, 2023)

The Vice President made these remarks while delivering an address at the 51st National Convention of Company Secretaries on the theme - "India@G-20: Empowering sustainable future through governance & technology", underlining that the fruitful deliberations in this convention will determine the future of India in 2047 and Company Secretaries have to play a "multifaceted and indispensable role in the realization of the vision", he added.

For details:

<https://pib.gov.in/PressReleasePage.aspx?PRID=1974240>

❖ Securities Laws and Capital Market

SEBI expands the scope of achieving minimum public unitholding requirement in InvITs (November 01, 2023)

SEBI has recently revised a manner of achieving minimum public unitholding requirements for infrastructure investment trusts (InvITs). There are already nine different methods to achieve minimum public unitholding requirement for infra investment trusts which were prescribed in a master circular dated July 6, 2023. In addition to these methods, SEBI has recently added one more method for privately placed InvITs in order to achieve minimum public unitholding requirement. The new method will be the issuance of units through preferential allotment. However, only units issued to the public will be considered for compliance with minimum unitholding requirements.

For details:

<https://www.livemint.com/money/personal-finance/sebi-expands-the-scope-of-achieving-minimum-public-unitholding-requirement-in-invits-details-here-11698837105683.html>

❖ **Banking**

Retail loan originations rise 15% y-o-y on strong demand: Report (November 03, 2023)

Retail loan originations rose 15% year-on-year(y-o-y) in the second quarter of 2023 as consumption-led demand remained strong, TransUnion CIBIL said in a report. "The latest CMI indicates financial stability with healthy retail credit growth and broadly stable delinquency levels, even though a few pockets show signs of risk build-up," TransUnion CIBIL Managing Director and Chief Executive Officer Rajesh Kumar said, adding that India's large young population, and low credit penetration in the new-to credit segment, provide huge untapped potential for accelerating credit growth and financial inclusion. The report has been prepared on the basis of credit market indicators. These are a measure of data elements that are measure of data that are summarised on a monthly basis to analyse in credit market health.

For details:

<https://www.financialexpress.com/business/banking-finance-retail-loan-originations-rise-15-y-o-y-on-strong-demand-report-3295506>

❖ **Ministry of Science & Technology**

New technology for converting CO₂ to CO holds potential for carbon capture and energy saving in the steel sector (November 03, 2023)

A new energy-efficient carbon dioxide capture technology that converts carbon dioxide to carbon monoxide under electro catalytic conditions under ambient temperatures in the presence of water has been developed with potential for application in the steel sector.

In efforts to support India's goal for net-zero emissions by 2070, the DST-supported National Centre of Excellence in Carbon Capture and Utilisation (NCoE-CCU) at IIT Bombay is actively working towards developing novel, scalable and affordable pathways on capturing CO₂ from various emission sources, and converting it into usable chemicals or permanent storage, representing a crucial pathway for greenhouse gas mitigation.

For details:

<https://pib.gov.in/PressReleasePage.aspx?PRID=1974375>

❖ **Market Watch**

| Stock Market Indices as on 03.11.2023 | |
|--|--------------------|
| S & P BSE Sensex | 64363.78 (+282.88) |
| Nifty 50 | 19230.60 (+97.30) |

| Foreign Exchange Rates as on 03.11.2023 <i>(https://m.rbi.org.in/scripts/ReferenceRateArchive.aspx)</i> | | | |
|--|--------------------|--------------------|--------------------|
| INR / 1 USD | INR / 1 EUR | INR / 1 GBP | INR / 1 JPY |
| 83.26 | 88.52 | 101.62 | .5540 |

❖ Pronouncement

| | | |
|------------------|--|---|
| October 05, 2023 | Mr. Jatinder Singh Ahuja and Others Vs. M/s. TATA Steel Limited and Others | National Company Law Appellate Tribunal Principal Bench, New Delhi Company Appeal (AT) No. 132 of 2021 With Company Appeal (AT) No. 150 & 151 of 2021 |
|------------------|--|---|

Brief Facts

Appellant raised several legal issues pertaining to methodology of the valuation of concerned companies, adequacy of swap ration of 15:1, violation of Section 230 of Companies Act, 2013 in the scheme of amalgamation and also challenged to market approach method of valuation and other illegalities which tantamount to Oppression & Mis-Management of the Appellants minority shareholders.

Appellants had also filed their individual objections before the Tribunal to the composite scheme of amalgamation.

Judgment

On a conjoint reading of Section 230 to 232 of the Companies Act, 2013, the Hon'ble NCLAT observed that the Tribunal while considering the sanctioning of scheme has to consider the majority decision of shareholders (and creditors) who have voted in favour of the scheme after considering the pros & cons of the scheme and finding the scheme to be just, fair and reasonable, not violating any law of the land. In such case, the approved scheme becomes binding on all including dissenting minority shareholders or creditors. The commercial wisdom of the parties of the scheme who have taken an informed decisions on the scheme is required to be respected by the Tribunal. The Tribunal, being in summary proceeding, is neither expected to have the requisite expertise nor jurisdiction to go into realm of commercial wisdom of the members and the creditors of the concerned companies. On the other hand, if the scheme is against the public interest, then the Tribunal is not to approve such scheme. In the present case, the same could not been made out to be the case, by the Appellants in both the appeals before us. Similarly, if material facts are not disclosed or adequate facts are not disclosed, the Tribunal is required to look into the legality of the scheme, which is also not the case in the present Appeals.

Further NCLAT held that by any standard, the shareholding of the 17 Appellants in Company Appeal (AT) No. 132 of 2021 are not meeting the prescribed threshold of 10% as provided in Proviso to Section 230 (4) of the Companies Act, 2013 which could entitle them to file the objections to the scheme and similarly the Appellants in Company Appeal (AT) No. 150 & 151 of 2021 do not hold minimum stipulated debt of 5% of total outstanding debts of the Respondents and therefore, NCLAT upheld that there is not locus of the Appellants in both the appeals.

Prepared by Directorate of Academics

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

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