Info Capsule

Tuesday, May 06, 2025

President

CS Dhananjay Shukla

Vice President

CS Pawan G Chandak

❖ *Ministry of Finance*

India's first mortgage backed Pass Through Certificates listed on the National Stock Exchange (May 05, 2025)

Shri M. Nagaraju, Secretary, Department of Financial Services, Ministry of Finance listed India's first Mortgage backed Pass Through Certificates (PTC) structured by RMBS Development Company Limited on the National stock Exchange on 05 May 2025. These PTCs are backed by pool of housing loans originated by LIC Housing Finance Limited. The issue of Rs. 1,000 crores (1,00,000 PTCs of Face value of Rs. 1,00,000/-). was fully subscribed.

This is the first issue of a PTC where the coupon was discovered on the "Electronic Book Provider (EBP) "platform of the National Stock Exchange. The final maturity of the PTC issued will be nearly twenty years and the coupon is 7.26% per annum. The rating of the Instrument is AAA(SO) by CRISIL and CARE Ratings. These PTCs are issued in demat form and are transferable.

For details: *https://pib.gov.in/PressReleasePage.aspx?PRID=2127137*

❖ *NITI Aayog*

NITI Aayog Releases Report on "Enhancing Competitiveness of MSMEs in India" (May 02, 2025)

NITI Aayog released the report on 'Enhancing MSMEs Competitiveness in India', prepared by NITI Aayog in collaboration with the Institute for Competitiveness (IFC). The report presents a detailed blueprint for unlocking the immense potential of India's Micro, Small and Medium Enterprises (MSMEs) through systemic reforms in financing, skilling, innovation and market access.

The report delves into the key challenges affecting the competitiveness of MSMEs in India. Using firm-level data and the Periodic Labour Force Survey (PLFS), it provides recommendations to foster sustainable integration and enhance their incorporation into global value chains. It focuses on four important sectors - textiles manufacturing and apparel, chemical products, automotive and food processing while highlighting the sector-specific challenges and opportunities that need to be addressed to unlock the potential of MSMEs in India.

For details: *https://pib.gov.in/PressReleasePage.aspx?PRID=2126063*

❖ *International Financial Services Centre Authority*

IFSCA and NISM sign MoU to strengthen capacity building in GIFT IFSC (May 02, 2025)

The International Financial Services Centres Authority (IFSCA) and the National Institute of Securities Markets (NISM) signed a Memorandum of Understanding on May 2, 2025, to advance capacity building and training initiatives in the securities markets in the IFSC.

As part of this collaboration, NISM will partner with IFSCA to support a range of capacity- building initiatives within the IFSC. This includes conducting certification examinations for entities operating in GIFT IFSC. The MoU also covers the development of customized content, question banks, and e-learning modules aligned with IFSCA's requirements, aimed at enhancing the professional expertise of financial institutions within the IFSC ecosystem.

For details: *https://ifsca.gov.in/Legal/Index?MId=jusIuUv1t4U=*

❖ *ESG UPDATE*

The Bombay Dyeing and Manufacturing Company Limited

- In its ESG endeavours, Bombay Dyeing aims to establish short, medium, and long-term goals for sustainability key performance indicators (KPIs) concerning climate change, energy efficiency, water conservation, waste management, air emission reduction, greenhouse gas (GHG) reduction, and safeguarding biodiversity.
- By soliciting input and feedback from diverse stakeholders, the Company aims to ensure that its ESG initiatives align with the interests and expectations of all involved, ultimately enhancing sustainability efforts and driving positive impact across operations and beyond.
- The Company is presently undertaking the development of a structured stakeholder consultation mechanism regarding ESG matters, alongside establishing clear ESG milestones. This initiative underscores its commitment to engaging with stakeholders in a transparent and inclusive manner, ensuring that diverse perspectives and concerns are incorporated into our ESG strategies and decision-making processes.

For details: *https://bombaydyeing.com/pdfs/disclosure/annual-report-2024.pdf*

❖ *Gross Environment Product (GEP) Outlook Report 2025*

Procurement & Supply Chain

In view of fact that organizations navigate through diverse macroeconomic landscapes, rapid advancements in AI, dynamic market conditions, trade wars and geopolitical conflicts, they must adapt their strategies and practices to stay competitive. Understanding these trends and their influence on procurement and supply chains is crucial for leaders to make informed decisions, drive innovation and enhance operational resilience — ultimately positioning their companies for success in the year ahead. In this regard, this report broadly covers the aspects of AI and the Next Evolution of Procurement, AI-Powered Procurement Orchestration, AI Agents in Procurement, Evolving Value Metrics, Supply Chain Resilience and Regulatory Demands and Globalization vs. Localization.

For details: *file:///C:/Users/E0583/Downloads/GEP-Outlook-2025%20(1).pdf*

❖ *Direct Tax News*

Income Tax department seeks to settle Rs 10 lakh crore disputes in FY26 at first-appeal forum (May 6, 2025)

The I-T department aims to resolve over 2 lakh appeals involving Rs 10 lakh crore in FY26 to boost tax receipts and ease business liquidity. With a focus on reducing arrears and aiding small taxpayers, the move supports the FY26 direct tax collection target of Rs 25.2 lakh crore. The income-tax department has set an ambitious target to dispose of over 200,000 cases, involving an aggregate disputed amount of Rs 10 lakh crore, lying with the first forum of appeal, in the current financial year.

For Details*:* *https://www.financialexpress.com/money/income-tax-i-t-dept-seeks-to-settle-rs-10-lakh-crore-disputes-in-fy26-at-first-appeal-forum-3833602/*

❖ *Business & Economy*

World Bank ED Parameswaran Iyer to represent India at IMF board (May 5, 2025)

Parameswaran Iyer, Executive Director at the World Bank, has been temporarily entrusted with the responsibility of being India's nominee director on the board of International Monetary Fund (IMF) ahead of a crucial May 9 meeting, sources said. Iyer's nomination was necessitated to fill a vacancy created with the termination of services of K V Subramanian as the executive director at the IMF, six months ahead of his three-year tenure.

For Details*:* *https://indianexpress.com/article/business/world-bank-ed-parameswaran-iyer-represent-india-imf-board-new-delhi-9983247/*

❖ *Pronouncement*

May 02, 2025	Kalyani Transco (Appellant) Versus M/S. Bhushan Power and Steel Ltd. & Ors (Respondents)	Supreme Court of India Civil Appeal No. 1808 of 2020 With Civil Appeal Nos. 2192-2193 of 2020 2025 INSC 621

Neither the Tribunal nor the Courts should give excessive leeway to the Successful Resolution Applicant to act in flagrant violation of the terms of the Resolution Plan under IBC

Judgement

In the above case, Supreme Court rejected the Resolution Plan submitted by JSW Steel as approved by the CoC for Bhushan Steel and Power Ltd and held that that the Resolution Plan of JSW was illegal and not in conformity with the provisions contained in Section 30(2), read with Section 31(2) of IBC and also passed an order requiring the Corporate Debtor to be liquidated.

Hon'ble Apex Court observed that it is quite clear that merely because the Code is silent with regard to the phase of implementation of the Resolution Plan by the Successful Resolution Applicant, neither the Tribunal nor the Courts should give excessive leeway to the Successful Resolution Applicant to act in flagrant violation of the terms of the Resolution Plan or in a lackadaisical manner. In the instant case, SRA/JSW did not implement the Resolution Plan for about two years since its approval by the NCLAT, though there was no legal impediment in implementing the same. Such flagrant violation of the terms of the Resolution Plan, has frustrated the very object and purpose of the Code. It is needless to say that the Resolution Plan, after its approval by the Adjudicating Authority i.e. NCLT under Section 31, is binding not only to the Corporate Debtor, its employees, members, creditors and the Government authorities but also to all the stakeholders including the successful Resolution Applicant itself. It may be noted that any contravention of the terms of the approved Resolution Plan, by any person on whom such plan is binding under Section 31, is liable to be prosecuted and punished under sub-section (3) of Section 74 of the IBC. It is also further required to be noted that in view of Section 33, where the Adjudicating Authority, before the expiry of the insolvency resolution process period or the maximum period permitted for completion of corporate insolvency resolution process under Section 12, does not receive a Resolution Plan under Sub-section (6) of Section 30; or rejects the Resolution Plan under Section 31 for the non-compliance of the requirements specified therein, it has to pass an order requiring the Corporate Debtor to be liquidated in the manner as laid down in Chapter III of the IBC.

Further, Supreme Court inter alia opined that nobody should be permitted to misuse the Process of law nor should be permitted to take undue advantage of the pendency of any proceedings in any Court or Tribunal. Instituting vexatious and frivolous litigations in the NCLT or NCLAT and delaying the implementation of Resolution Plan under the garb of pendency of proceedings, has clearly proved the mala fide and dishonest intention on the part of JSW, in firstly securing highest score making misrepresentation before CoC and then not implementing the same under the garb of pendency of proceedings, though the Resolution Plan was supposed to be an unconditional one. Such acts of misuse and abuse of process of law cannot be vindicated by this Court, which otherwise would tantamount to ratifying and pardoning the illegal acts committed by JSW and thereby giving them a clean chit.

The position of law, propounded by Supreme Court is that commercial wisdom of CoC means a considered decision taken by the CoC with reference to the commercial interest, the interest of revival of Corporate Debtor and maximization of value of its assets. This wisdom is not a matter of rhetoric but is denoting a well-considered decision by the CoC as the protagonist of CIRP. The CoC therefore has to take into consideration the mandatory requirements of the Code as well as the Regulations framed by the Board, and to see that the Insolvency Resolution of the Corporate Debtor is completed in a time bound manner and for maximization of value of assets of the Corporate Debtor.

For Details: *https://www.sci.gov.in/view-pdf/?diary_no=73582020&type=j&order_date=2025-05-02&from=latest_judgements_order*

ICSI (Management and Development of Company Secretaries in Practice) Guidelines, 2023

About the Book

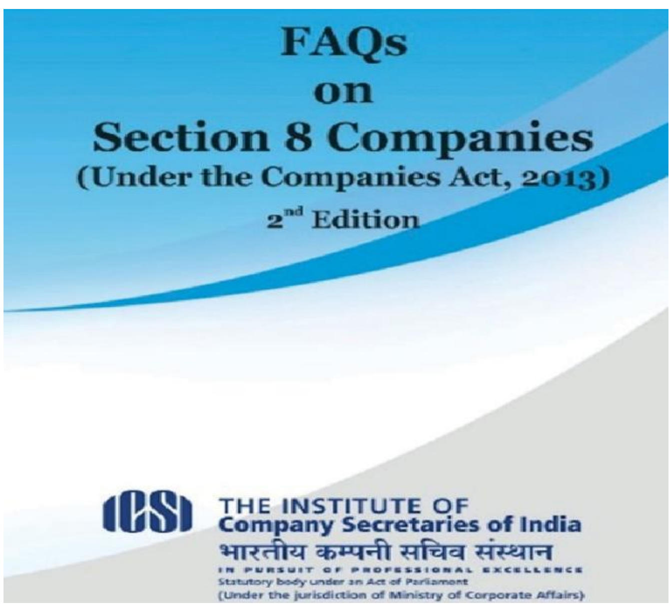
These Guidelines aim to facilitate the Company Secretary in Practice by consolidating all relevant Guidelines as applicable to Company Secretary in Practice along with the processes involved therein in a coherent manner that ensures ease of reference and enhanced comprehension; right from applying for the PCS Orientation Programme and enrolling as Company Secretary in Practice to running successful Practice.

Year of Publication: 2023

Price: Rs. 200/-

Weblink for Purchase:
https://smash.icsi.edu/Scripts/ECart/Default/ItemWiseECartSearchOnlineBooks.aspx?ItemId=307

FAQS ON SECTION 8 COMPANIES



About the Book

Publication titled "Frequently Asked Questions on Section 8 Companies" is prepared to clarify certain questions with respect to the Compliance aspects of section 8 Companies.

Year of Publication: 2025
Price: Rs. 225/-

Weblink for Purchase:
https://smash.icsi.edu/Scripts/ECart/Default/ItemWiseECartSearchOnlineBooks.aspx?ItemId=287

❖ *Market Watch*

Stock Market Indices as on 06.05.2025	
S & P BSE Sensex	80641.07(-0.19%)
Nifty 50	24379.60(-0.33%)

Foreign Exchange Rates as on 06.05.2025 *(https://m.rbi.org.in//scripts/ReferenceRateArchive.aspx)*			
INR / 1 USD	**INR / 1 EUR**	**INR / 1 GBP**	**INR/ 1 JPY**
84.54	95.69	112.35	.58

Prepared by Directorate of Academics

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