



Vision

"To be a global leader in promoting good corporate governance"

Motto

सत्यं वद। धर्मं चर। इष्टार्थं कुरु। तृप्तये। अस्मिन्। इति।

Mission

"To develop high calibre professionals facilitating good corporate governance"

Wednesday, January 10, 2024

Info Capsule

President

CS Manish Gupta

Vice President

CS B Narasimhan

❖ ESG

93% Feel Tax Sops Relevant for ESG: PwC India Survey Report (January 10, 2024)

According to the PwC India survey report on tax transparency in ESG released on Tuesday, 93% of the corporate respondents surveyed believe tax incentives are relevant or very relevant for the adoption of ESG practices and nearly 60% believe that there is a need for policy makers to incentivise ESG practices. 86% agree that preserving the environment will be a key focus area where companies would like to invest if they receive tax incentives. There is also significant interest in using incentives for inclusion and diversity initiatives (54%) and addressing social vulnerability (37%).

For details:

<https://economictimes.indiatimes.com/news/company/corporate-trends/93-feel-tax-sops-relevant-for-esg-pwc-india-survey-report/articleshow/106677114.cms?from=mdr>

❖ Banking

Measuring Productivity at the Industry Level-The India KLEMS Database (January 09, 2024)

The Reserve Bank of India on January 09, 2024 placed on its website an update on "Measuring Productivity at the Industry Level-The India KLEMS [Capital (K), Labour (L), Energy (E), Material (M) and Services (S)] Database" comprising the Data Manual 2023 along with time-series data on productivity for 27 industries covering the period 1980-81 to 2021-22. The database, which has KLEMS data for an additional year, i.e., 2021-22, is expected to aid the analysis of productivity trends in India at disaggregated industry levels.

For details:

https://www.rbi.org.in/Scripts/BS_PressReleaseDisplay.aspx?prid=57091

❖ Terminology

Place-Based Investing

Refers to a set of techniques for investing capital locally, through community ownership and access mechanisms, such as local banks, crowdfunding, municipal bonds or participation. Place-based investing especially targets local business and anchor institutions and outcomes for families and neighborhoods.

❖ **Consumer Protection Law**

Committee for “Prevention and Regulation of Misleading Advertisement in Coaching Sector” meets (January 09, 2024)

The Central Consumer Protection Authority (CCPA) conducted first meeting of the Committee constituted to prepare Guidelines with respect to misleading advertisements in coaching sector on 8th January, 2024. The Committee discussed Draft of the Guidelines.

The Chairman of the Committee is Shri Rohit Kumar Singh, Secretary Department of Consumer Affairs and Chief Commissioner of CCPA along with other members Commissioner (CCPA), representatives from Department of Personnel & Training (DoPT), Ministry of Education, National Law University (NLU), Delhi, FIITJEE, Khan Global Studies and Ikigai Law. Lal Bahadur Shastri National Academy of Administration (LBSNAA) who participated in the meeting.

Shri Rohit Kumar Singh, Secretary (Consumer Affairs) & Chief Commissioner (CCPA) stated that protection of consumer's interest is a paramount concern to CCPA. He highlighted the need for clarity, specifically in addressing certain aspects related to advertisements in coaching sector. He further stated that CCPA firmly believes in safeguarding the rights of consumers and ensuring no false or misleading advertisement is made of any goods or services which contravenes the provisions of Consumer Protection Act, 2019.

The Guidelines shall be applicable to all the coaching institutes whether online or physical and cover all forms of advertisement regardless of form, format or medium. The Guidelines prescribe conditions when an advertisement by a coaching institute shall be construed to be misleading advertisement as defined under the Consumer Protection Act 2019 which inter-alia include concealing important information related to the course opted by the successful candidates [courses opted by successful candidates (whether free or paid), duration of course etc.

The Guidelines also provide that coaching institutes shall not make false claims regarding success rates or number of selections and any other practices that may lead to consumer misunderstanding or subvert consumer autonomy and choice.

CCPA has observed that some of the coaching institutes mislead consumers by deliberately concealing important information with respect to course opted by successful candidates, duration of the course so attended & the fees paid by the candidates. CCPA also observed that some of the coaching Institutes also indulge in making claims like 100% selection, 100% job guaranteed and guaranteed preliminary and main examination without providing verifiable evidence.

For details:

<https://pib.gov.in/PressReleasePage.aspx?PRID=1994532>

❖ *Competition Commission of India*

CCI approves acquisition of remaining 30% equity stake in Signet Excipients Private Limited by IMCD India Private Limited (January 09, 2024)

The Competition Commission of India (CCI) has approved acquisition of remaining 30% equity stake in Signet Excipients Private Limited by IMCD India Private Limited.

The proposed combination relates to the acquisition of the remaining 30% equity stake in Signet Excipients Private Limited (**Target**) by IMCD India Private Limited (**Acquirer**) by exercising a call option.

The Acquirer is an indirect wholly owned subsidiary of IMCD N.V. and is located in Mumbai, India. IMCD N.V. is a Dutch entity and has a presence across various jurisdictions. The acquirer is engaged in the sales, marketing, and distribution of specialty chemicals including food and pharma ingredients in the Indian market through the following product segments: (i) Pharmaceutical Excipients; (ii) Food and Nutrition Ingredients and Excipients; (iii) Coatings and Construction chemicals; (iv) Advanced Materials (Plastic Additives and Composites); (v) Lubricants and Fuels chemicals and additives; (vi) Textile chemicals and additives; and (vii) Beauty and Personal Care ingredients.

Target, is jointly controlled by IMCD and its promoters. Currently, the Acquirer and the Promoters hold 70% and 30% of the equity share capital of Target, respectively. Target does not have any presence outside of India, except for minimal sales by way of exports in the Indian subcontinent and Africa. Target is engaged in the business of sales, marketing, distributing, importing, or exporting of excipients used for pharmaceuticals, nutraceuticals, biotech, food, API products, and any other related products for pharmaceutical formulation.

For details:

<https://pib.gov.in/PressReleasePage.aspx?PRID=1994633>

❖ *Market Watch*

Stock Market Indices as on 10.01.2024	
S & P BSE Sensex	71,657.71 (+271.50)
Nifty 50	21,618.70 (+73.85)

Foreign Exchange Rates as on 10.01.2024 <i>(https://m.rbi.org.in/scripts/ReferenceRateArchive.aspx)</i>			
INR / 1 USD	INR / 1 EUR	INR / 1 GBP	INR / 1 JPY
83.15	90.89	105.57	0.57

❖ Pronouncement

01 st December, 2023	Gireesh Kumar Sanghi (Appellant) Vs. Sanghi Industries Ltd. & 19 Ors (Respondents)	National Company Law Appellate Tribunal at Chennai Company Appeal (AT) (CH) No. 95/2023 (IA Nos. 1195, 1196 & 1197 / 2023) With Company Appeal (AT) (CH) No. 96/2023 (IA Nos. 1201, 1202 & 1203 / 2023)
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Issue: Whether the rectificatory jurisdiction under Section 59 of the Companies Act, which is summary in nature can be exercised where there are contested facts and disputed questions?

Judgement

Hon'ble National Company Law Appellate Tribunal *inter alia* observed that once the legislature has created a complete bar of the jurisdiction of the Civil Court by enacting Section 430 in the Act as per which no civil court shall have the jurisdiction to entertain any suit or proceedings in respect of any matter which the Tribunal or Appellate Tribunal is empowered to determine by or under this Act or any other law for the time being in force and no civil court has the jurisdiction to grant injunction in respect of any action taken or to be taken in pursuance of any power conferred by or under the act or any other law for the time being in force by the Tribunal or Appellate Tribunal, there is no shred of doubt that the jurisdiction to decide the rectificatory jurisdiction under Section 59 of the Act shall be available to be exercised even where there are contested facts and disputed questions and regard may be had to the decision in the case of *Shashi Prakash Khemka Vs. NEPC Micon & Ors. (2019) 18 SCC 569* as decided by the Hon'ble Supreme Court while referring to Section 430 of the Act.

Prepared by Directorate of Academics

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

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