



Vision

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

Motto

सत्यं वद। धर्मं चर। इष्टार्थं कुरु। तृणैः अक्षयं तु कुरु।

Mission

"To develop high calibre professionals facilitating good corporate governance"

Info Capsule

Monday, April 22, 2024

President

CS B Narasimhan

Vice President

CS Dhananjay Shukla

❖ ICSI News

ICSI- NISM Joint Certification on Corporate and Securities Markets Compliances (Integrated Program for CS Students)

The Institute has launched the Joint Certification Courses on Corporate and Securities Markets Compliances (CSMC) [Integrated Program for the CS Course] in collaboration with National Institute of Securities Markets (NISM), an educational institution founded by SEBI, for the students of ICSI. This course is an ideal platform for students who are passionate about corporate and securities market compliances, and aspire to gain in-depth knowledge and build a long-term career in these areas. The launch of this course in collaboration with NISM marks the beginning of a transformative educational experience that will equip the CS students with the skills, knowledge and align with the market demand and need of the India Inc. in a unique way. CSMC students are positioned to take up a wide range of roles and responsibilities of compliance professionals with the listed companies, market infrastructure institutions, and intermediaries.

For Prospectus and FAQs, please click on:
<https://www.icsi.edu/home/icsi-nism/>

❖ Capital Market and Securities Laws

Consultation Paper on "Framework for Price Discovery of Shares of listed Investment Companies & listed Investment Holding Companies" (April 19, 2024)

SEBI has placed consultation paper to seek comments/ views/ suggestions from the public on the proposal to lay down a framework for price discovery of shares of listed Investment Companies (ICs) & listed Investment Holding Companies (IHCs) whose market price is at significant discount to book value. Currently, shares of a few listed ICs or IHCs are getting traded infrequently but at a price which is significantly lower than the book value disclosed by the listed entities in their last audited financial statements. Moreover, these companies generally have no day-to-day operations and hold only investments in different asset classes including in other listed company (ies). It has been view of a section of market that, the variance in the market price and book value of such companies is adversely affecting liquidity, fair price discovery and the overall interest of investors of such ICs or IHCs. The comments/ suggestions should be submitted latest by May 10, 2024.

For details: https://www.sebi.gov.in/reports-and-statistics/reports/apr-2024/consultation-paper-on-framework-for-price-discovery-of-shares-of-listed-investment-companies-and-listed-investment-holding-companies_82945.html

Supreme Court upholds SAT order on penalty for manipulating Ruchi Soya share price (April 19, 2024)

The Supreme Court on April 19, 2024 junked pleas by Shreyaans Credit and Capital Ltd and Uni24 Techno Solutions challenging the order of Securities Appellate Tribunal (SAT) to cough a penalty for manipulating the price of Ruchi Soya shares in 2012. These entities had challenged the interest component of 12 percent levied on them in addition to the penalty. The interest was to be paid by these entities from September 28, 2012 till the date of actual payment. In April 2022, SEBI imposed a penalty of Rs 25 lakh on nine entities for indulging in fraudulent trade practices in the scrip of Ruchi Soya Industries Limited on September 27, 2022.

For details: <https://www.moneycontrol.com/news/business/sc-upholds-sat-order-on-penalty-for-manipulating-ruchi-soya-share-price-12674781.html>

❖ **Direct Tax**

Net Direct Tax collections (provisional) for Financial Year (FY) 2023-24 exceed Union Budget Estimates by Rs. 1.35 lakh crore i.e. by 7.40% (April 21, 2024)

The Budget Estimates (BE) for Direct Tax revenue in the Union Budget for FY 2023- 24 were fixed at Rs. 18.23 lakh crore which were revised and the Revised Estimates (RE) were fixed at Rs. 19.45 lakh crore. The provisional Direct Tax collections (net of the refunds) have exceeded the BE by 7.40% and RE by 0.67%.

For details: <https://www.pib.gov.in/PressReleasePage.aspx?PRID=2018373>

❖ **Banking**

Minutes of the Monetary Policy Committee Meeting, April 3 to 5, 2024 (April 19, 2024)

The forty eighth meeting of the Monetary Policy Committee (MPC), constituted under Section 45ZB of the Reserve Bank of India Act, 1934, was held during April 3 to 5, 2024. On the basis of an assessment of the current and evolving macroeconomic situation, the MPC at its meeting on April 5, 2024 decided to keep the policy repo rate under the Liquidity Adjustment Facility (LAF) unchanged at 6.50 per cent. Consequently, the Standing Deposit Facility (SDF) rate remains unchanged at 6.25 per cent and the Marginal Standing Facility (MSF) rate and the Bank Rate at 6.75 per cent. The MPC also decided to remain focused on withdrawal of accommodation to ensure that inflation progressively aligns to the target, while supporting growth.

For details: https://rbi.org.in/Scripts/BS_PressReleaseDisplay.aspx?prid=57735

❖ **Insurance**

Health insurance for your ageing parents is now possible as IRDAI scraps age limit (April 21, 2024)

With an aim to expand the market and foster adequate protection from healthcare expenses, insurance regulator Insurance Regulatory and Development Authority of India (IRDAI) has removed the age limit of 65 years for individuals buying health insurance policies. This marks a significant change from the old rules that stopped people from getting full coverage. By abolishing the maximum age restriction on purchasing health insurance plans, the IRDAI aims to foster a more inclusive and accessible healthcare ecosystem, ensuring adequate protection against unforeseen medical expenses.

For details:

<https://economictimes.indiatimes.com/industry/banking/finance/insure/insurance-regulator-irdai-abolishes-age-restriction-on-health-insurance-product/articleshow/109473949.cms>

❖ ***Insolvency & Bankruptcy***

Jet Airways' lenders move SC against NCLAT decision to uphold resolution plan (April 21, 2024)

The lenders of Jet Airways, led by State Bank of India, have challenged a National Company Law Appellate Tribunal's (NCLAT) decision that upheld the resolution plan proposed by the Jalan-Kalrock consortium for the bankrupt airline.

In its order last month, the NCLAT had directed the airline's lenders to transfer the company to its successful bidder, the Jalan-Kalrock consortium (JKC), within 90 days. A Supreme Court bench, headed by Chief Justice D.Y. Chandrachud, is expected to hear the lenders' challenge on Monday.

For details: <https://www.livemint.com/companies/news/jet-airways-lenders-move-sc-against-nclat-decision-to-uphold-resolution-plan-11713713538061.html>

❖ ***Business and Economy***

IREDA Reports All-Time High Annual Net Profit, NPAs below 1%, sets Benchmark with Fastest Results in Banking-NBFC Space (April 20, 2024)

Indian Renewable Energy Development Agency Ltd. (IREDA), the nation's largest pure-play green financing NBFC, has achieved an all-time high annual Profit After Tax (PAT) of Rs. 1252.23 crores, marking an impressive growth of 44.83% over the previous fiscal year 2022-23. The company has successfully reduced its Net Non-Performing Assets (NPAs) to 0.99% in FY 2023-24, from 1.66% in FY 2022-23, demonstrating a significant reduction of 40.52% year-on-year.

For details: <https://pib.gov.in/PressReleaseDetail.aspx?PRID=2018321>

❖ ***Asian Development Bank***

Multilateral Development Banks Deepen Collaboration to Deliver as a System (April 20, 2024)

The leaders of 10 multilateral development banks (MDBs) today announced joint steps to work more effectively as a system and increase the impact and scale of their work to tackle urgent development challenges. In a Viewpoint Note, the leaders outlined key deliverables for joint and coordinated action in 2024 and beyond building on the progress since their Marrakesh statement in 2023, as their institutions work to accelerate progress toward the Sustainable Development Goals (SDGs) and to better support clients in addressing regional and global challenges.

For details: <https://www.adb.org/news/multilateral-development-banks-deepen-collaboration-deliver-system>

❖ **Pronouncement**

April 19, 2024	<i>Insolvency and Bankruptcy Board of India v. Satyanarayan Bankatlal Malu & Ors.</i>	<i>Supreme Court</i>
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Section 236 of the Insolvency and Bankruptcy Code, 2016(IBC) is "legislation by incorporation" and "not legislation by reference" therefore Amendment to section 435 of the Companies Act, 2013 are not applicable to section 236 of IBC.

This case can be referred to for understanding the law relating to 'Legislation by Incorporation' and 'Legislation by Reference'.

In this case, the Hon'ble Supreme Court said that it could thus be seen that as per Section 435(3) of the Companies Act, 2013, as it existed on the date on which the Code came into effect (i.e. after the 2015 Amendment), a person to be qualified for appointment as a Judge of a Special Court was required to hold office of a Sessions Judge or an Additional Sessions Judge immediately before his appointment as a Judge of a Special Court.

After Section 435 of the Companies Act, 2013 suffered an amendment in the year 2015 by the 2015 Amendment, sub-section (1) thereof provided that the Central Government may, for the purpose of providing speedy trial of offences punishable under the said Act with imprisonment of two years or more, by notification, establish or designate as many Special Courts as may be necessary. It further provided that all other offences shall be tried either by a Metropolitan Magistrate or a Judicial Magistrate of the First Class having jurisdiction to try any offence under the said Act or under any previous company law.

Another amendment to Section 435 of the Companies Act, 2013 was effected by the Companies (Amendment) Act, 2017, with effect from 7th May, 2018. Vide the said amendment, two classes of Special Courts were constituted. Firstly, a Special Court presided by a single judge holding office as Session Judge or Additional Session Judge, in case of offences punishable with imprisonment of two years or more under the Companies Act, 2013; and the second being presided by a Metropolitan Magistrate or a Judicial Magistrate of the First Class in the case of other offences, i.e., offences punishable with imprisonment of less than two years.

The question that required to be considered was, as to whether the Special Court under the Code would be as provided under Section 435 of the Companies Act as it existed at the time when the Code came into effect, or it would be as provided under Section 435 of the Companies Act after the 2018 Amendment. The answer to that question would depend

upon as to whether the reference to ‘Special Court established under Chapter XXVIII of the Companies Act, 2013’ in Section 236(1) of the Code is a ‘legislation by incorporation’ or a ‘legislation by reference’. If it is held that it is a ‘legislation by incorporation’, then the subsequent amendments would not have any effect on the Code and the Special Court would continue to be as provided under Section 435 of the Companies Act, as it existed when the Code came into effect. *Per contra*, if it is held that it is a ‘legislation by reference’ then the subsequent amendments would also be applicable to the Code and the Special Courts would be as provided under Section 435 of the Companies Act after its amendment by the 2018 Amendment.

The Apex Court said that applying the principle as laid down by this Court in various judgments, since the reference is specific and not general, it will have to be held that the present case is a case of ‘legislation by incorporation’ and not a case of ‘legislation by reference’. The effect would be that the provision with regard to Special Court has been bodily lifted from Section 435 of the Companies Act, 2013 and incorporated in Section 236(1) of the Code. In other words, the provision of Section 435 of the Companies Act, 2013 with regard to Special Court would become a part of Section 236(1) of the Code as on the date of its enactment. If that be so, any amendment to Section 435 of the Companies Act, 2013, after the date on which the Code came into effect would not have any effect on the provisions of Section 236(1) of the Code. The Special Court at that point of time only consists of a person who was qualified to be a Sessions Judge or an Additional Sessions Judge.

For

details: https://scourtapp.nic.in/supremecourt/2022/7992/7992_2022_3_1501_52325_Judgment_19-Apr-2024.pdf

Market Watch

Stock Market Indices as on 22.04.2024	
S & P BSE Sensex	73,648.62 (+560.29)
Nifty 50	22,336.40 (+189.40)

Foreign Exchange Rates as on 22.04.2024 (https://m.rbi.org.in/scripts/ReferenceRateArchive.aspx)			
INR / 1 USD	INR / 1 EUR	INR / 1 GBP	INR / 1 JPY
83.41	88.96	103.29	0.53



**THE INSTITUTE OF
Company Secretaries of India**
भारतीय कम्पनी सचिव संस्थान
IN PURSUIT OF PROFESSIONAL EXCELLENCE
Statutory body under an Act of Parliament
(Under the jurisdiction of Ministry of Corporate Affairs)

Vision
"To be a global leader in promoting
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Motto
सत्यं वद। धर्मं चर। *Speak the truth, abide by the law*

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List of ICSI Latest Publication 2023 Onwards



1. Company Law Exploring Procedural Dimensions VOL I / II / III-December 2023 (A comprehensive and practical oriented publication (in three volumes) covers step by step procedural aspects of company law, specimens of resolutions, applications/petitions to ROC/RD/NCLT information/approvals required, reference to relevant e-forms for filing and so on.)
2. Charter of Audit Committee - January 2023
3. Corporate Governance from Compliance to Excellence (Handbook on Best Practices) Version 2.0 - March 2023
4. FAQs on SEBI (Real Estate Investment Trusts) Regulations, 2014 - March 2023
5. FAQs on SEBI (Infrastructure Investment Trusts) Regulations, 2014 - March 2023
6. Handbook on IFSCA - April 2023
7. Handbook on Business Responsibility and Sustainability- May 2023
8. FAQs on Section 8 Companies 2nd Edition-June 2023
9. Ready Reckoner for Private Companies (Revised Edition)-June 2023
10. One Person Company - A Referencer - July 2023
11. Chartered Secretary Collector's Series (First Edition) - September 2023
12. Handbook on Producer Companies - November 2023
13. NBFC - A Quick Referencer - November 2023
14. CHARTERED SECRETARY COLLECTOR'S SERIES (Second Edition) - November 2023
15. ICSI (Management and Development of Company Secretaries in Practice) Guidelines, 2023 - November 2023
16. Charter of Board of Directors - January 2024
17. Charter of Nomination and Remuneration Committee - January 2024
18. Guidance Note on Annual Secretarial Compliance Report (Revised Edition) - January 2024
19. SS-1 (Secretarial Standard on Meeting of the Board of Directors)-February 2024
20. SS-2 (Secretarial Standard on General Meetings) - February 2024
21. Compilation of SEBI (LODR) Informal Guidance
22. Compilation of Informal Guidance by SEBI

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