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 good corporate governance"

Motto
सत्यं वद। धर्मं चर। speak the truth. abide by the law.

Mission
"To develop high calibre professionals facilitating good corporate governance"

Info Capsule

Wednesday, April 30, 2025

President
CS Dhananjay Shukla
Vice President
CS Pawan G Chandak

❖ *Ministry of Law and Justice*

Justice B R Gavai appointed as next Chief Justice of India (April 30, 2025)

Supreme Court Judge, Justice Bhushan Ramkrishna Gavai, will be the next Chief Justice of India. Union Minister of Law and Justice Arjun Ram Meghwal said that President Droupadi Murmu has appointed Justice Gavai as the next Chief Justice of India, and his appointment will be effective from 14th of May. Justice Gavai will be the 52nd Chief Justice. He will succeed Chief Justice Sanjiv Khanna, whose tenure will end on the 13th of next month.

***For details**: https://www.newsonair.gov.in/justice-b-r-gavai-appointed-as-next-chief-justice-of-india/*

❖ *Ministry of Consumer Affairs, Food & Public Distribution*

Central Consumer Protection Authority (CCPA) takes suo moto cognizance against 5 Delhi Restaurants for non-refund of Service Charge (April 29, 2025)

The Central Consumer Protection Authority (CCPA) has taken suo moto action against five restaurants — Makhna Deli, Xero Courtyard, Castle Barbeque, Chaayos, and Fiesta by Barbeque Nation for failing to refund mandatory service charges despite judgment held by Hon'ble High Court of Delhi. Notices have been issued under the Consumer Protection Act, 2019, directing the restaurants to refund the service charge amounts.

This measure is aimed at reducing the undue pressure on Consumers to pay additional amount at the time of availing services at any Restaurant as no Hotel or Restaurant shall force a consumer to pay Service Charge or Service Charge shall not be collected from consumers by any other name.

The Central Consumer Protection Authority (CCPA) issued guidelines on 04.07.2022 to curb unfair trade practices and protect consumer interests regarding service charges in hotels and restaurants. The guidelines stipulate that:

a. No hotels or restaurant shall add service charge automatically or by default in the food bill.

b. No collection of service charge shall be done by any other name.

c. No hotel or restaurant shall force a consumer to pay service charge and shall clearly inform the consumer that service charge is voluntary, optional and at consumer's discretion.

d. No restriction on entry or provision of services based on collection of service charge shall be imposed on consumers.

e. Service charge shall not be collected by adding it along with the food bill and levying GST on the total amount.

***For details**: https://pib.gov.in/PressReleasePage.aspx?PRID=2125045*

❖ *ESG Update*

- **REC Limited**

➢ REC ESG report has been prepared in reference to the Global Reporting Initiative (GRI) Universal Standards 2021 and aligns with the Business Responsibility and Sustainability Reporting (BRSR) requirements of the Securities and Exchange Board of India (SEBI) and includes our contribution towards the diverse objectives delineated in the United Nations Sustainable Development Goals (UN SDGs).

➢ REC ESG policies aimed at energy & emissions management, biodiversity, climate risk management, water management, and waste management

➢ REC's Contribution to Panchamrit Goals: 50% installed capacity from non-fossilfuel-based energy resources by 2030, Net- Zero Achieve Net- Zero target by 2070, 1 Billion tonnes reduction in projected carbon emissions during 2021-2030, reduction in emission intensity of GDP by 2030 (from 2005 levels), 500 GW non-fossil energy capacity by 2030.

➢ REC work closely with stakeholders, including local communities, NGOs, and government agencies, to identify areas for improvement and implement best practices in environmental management.

➢ REC's ESG Board of Directors comprises a diverse group of experienced professionals who bring a wide range of skills and expertise. The Board of Directors is constituted in compliance with the Companies Act, 2013, SEBI (Listing Obligations and Disclosure Requirements), Regulations 2015 "Listing Regulations" and is in accordance with best practices in Corporate Governance. The Board comprised of eight (8) Directors including Four Independent Directors. Board is led by a group of highly qualified professionals with a strong background in corporate governance, including expertise in finance, banking, risk management, corporate law, and strategic planning.

For details: *https://recindia.nic.in/uploads/files/CO-BDM-ESG-Report-2023-24.pdf*

- **SEBI strengthens ESG rating regulations to enhance transparency and accountability (April 29, 2025)**

The Securities and Exchange Board of India (SEBI) has tightened norms for Environmental, Social and Governance (ESG) rating providers (ERPs) disclosing their methodologies and managing potential conflicts of interest. The new regulations under the subscriber-pays business model aim to enhance transparency, credibility, and accountability in the ESG ratings ecosystem. The market regulator in the Securities and Exchange Board of India (Credit Rating Agencies) (Second Amendment) Regulations, 2025, adds "subscriber-pays business model". The model means a business model where the ESG rating provider derives its revenues from ESG ratings from subscribers including banks, insurance companies, pension funds, or the rated entity itself. Industry experts said the move would make the ESG rating ecosystem more robust and reliable, enabling the rating framework to be transparency.

For details: *https://legal.economictimes.indiatimes.com/news/regulators/sebi-strengthens-esg-rating-regulations-to-enhance-transparency-and-accountability/120705131*

❖ *View/ Comment Sought by Regulators*

TRAI releases Pre-Consultation Paper on (April 29, 2025)

The Telecom Regulatory Authority of India (TRAI) has today released a Pre-Consultation Paper on “Review of Tariff for Domestic Leased Circuits (DLCs)” seeking inputs from stakeholders.

To facilitate this review, the Authority invites all stakeholders to participate in the present pre-consultation process by submitting relevant issues, concerns and suggestions pertaining to the existing ceiling tariff of Domestic Leased Circuits.

Written comments on the Pre-Consultation Paper are invited from stakeholders by 19th May 2025. Inputs/Comments received from stakeholders would be analysed and considered by the Authority to examine the need for a review of DLC tariffs.

The comments may be sent, preferably in electronic form at advfea2@trai.gov.in. For any clarification / information Shri Vijay Kumar, Advisor (Financial & Economic Analysis), TRAI, may be contacted at Telephone No. +91-11-20907773.

For details: *https://pib.gov.in/PressReleasePage.aspx?PRID=2125123*

❖ *Merger & Acquisition*

Bajaj Group seeks CCI nod to acquire Allianz's stake in ₹24,180-cr deal (April 28, 2025)

The Bajaj Group has approached the Competition Commission of India (CCI) for approval to acquire Allianz SE’s 26 per cent stake in their joint life and general insurance ventures, according to a report by The Economic Times. The deal, valued at ₹24,180 crore, will the largest transaction in India’s insurance industry to date.
With this acquisition, Bajaj Group’s shareholding in both Bajaj Allianz General Insurance Company and Bajaj Allianz Life Insurance Company will increase to full ownership from 74 per cent. The deal signifies the end of 24-year collaboration between Bajaj and the German insurer Allianz, with both parties opting to pursue independent strategies in India's rapidly growing insurance sector

For details: *https://www.business-standard.com/companies/news/bajaj-group-allianz-acquisition-cci-approval-24180-crore-insurance-deal-125042900443_1.html*

❖ *Ministry of New and Renewable Energy*

MNRE Minister Pralhad Joshi launches Green Hydrogen Certification scheme (April 28, 2025)

The Ministry of New and Renewable Energy (MNRE) organized on 29th April 2025 one-day National Workshop on opportunities for “Micro, Small & Medium Enterprises (MSMEs) in the Green Hydrogen Supply Chain”, at New Delhi. The workshop was aimed to explore opportunities and discuss key role of MSMEs in development of green hydrogen ecosystem in India. Over 300 delegates drew participation from different stakeholder groups, including MSMEs, policymakers, technology providers, industry associations, and international partners.
Hon’ble Union Minister also launched the Green Hydrogen Certification Scheme of India (GHCI). He mentioned that the scheme is a foundational step towards creating a robust framework for certifying green hydrogen production and ensuring transparency, traceability, and market credibility.

For details: *https://pib.gov.in/PressReleasePage.aspx?PRID=2125231*

❖ Pronouncement

March 10, 2025	Insurance Regulatory and Development Authority of India VS Shriram Li Holdings Private Limited	NCLAT, CHENNAI TA (AT) No.04/2024 (Company Appeal (AT) No.278/2024) (IA Nos.6167 & 6168/2024, 17/2025

Insurance Company despite of being a Company as contemplated under the Insurance Act, would still have a right of Amalgamation under the Approved Scheme of Amalgamation as per Section 230 to 232 of Companies Act.

Brief Facts

The prime question, which has been agitated by the Appellant is that, amalgamation of the Respondent Companies as a consequence of the approval of Scheme of Amalgamation, in pursuance to the Impugned Order under challenge would be bad in the eyes of law, in the absence of there being a prior compliance of the provisions contained under Section 35 (1) of the Insurance Act, which according to the Appellant, is mandatory when there is an amalgamation of an Insurance Company engaged in an insurance activities with a Company performing functions other than that of the insurance.

Another important point argued by the Appellant is that, the entire process of amalgamation, ought to have been conducted only after an approval from the Authority under Section 35 of the Insurance Act as per exception to the provisions contained under Section 1(4)(b) of the Companies Act.

Judgement

Section 35 of the Insurance Act relates to Amalgamation and transfer of insurance business. Section 35 (1) of the Insurance Act states that:

Notwithstanding anything contained in any other law for the time being in force, no insurance business of an insurer shall be transferred to or amalgamated with the insurance business of any other insurer except in accordance with a scheme prepared under this section and approved by the Authority.

The objections as preferred by the Appellant were considered by the respective Tribunals observing thereof that, owing to the fact of no objection having been given by the Income Tax Department, and no objection having been given by the Regional Director, the Official Liquidator, the Competition Commission of India and with obtaining of the Valuers Report and since the Scheme of Amalgamation being not in violation of Section 35 of the Insurance Act, based on the reasons given in detail in the respective Orders, the Scheme of Amalgamation as proposed by the respective Petitioner Companies are fit to be approved.

The Learned Tribunal had also drawn upon the ratio in Judgment of *Vodafone Essar Gujarat Ltd. v. Department of Income Tax as reported in 2012 SCC OnLine Gujarat 6485* which has been upheld by the Hon'ble Apex Court in SLP (C) No.029819 / 2012, to consider as to in what fashion amalgamation can be granted while protecting rights of various Departments.

Thus, the controversy at hand falls to be well within the exercise of powers of Amalgamation under Section 230 to 232 of the Companies, Act and thus, the scheme is not hit by Section 35(1) of the Insurance Act and that the provisions of Amalgamation as contained under the Insurance Act and that as contained under the Companies Act under Section 230 to 232, are not inconsistent with each other, and that, thus, the Insurance Company despite of being a Company as contemplated under the Insurance Act, would still have a right of Amalgamation under the Approved Scheme of Amalgamation as per Section 230 to 232 of Companies Act under the facts and circumstances of the instant cases, the respective learned Tribunals have gone ahead to pass the Impugned Orders, while not accepting the objections raised by the Appellant herein.

The NCLAT stated that no statutory bar is created under the Insurance Act, which could have called for a prior compliance of Section 35 of Insurance Act, for Amalgamation in the instant cases to be carried under Section 230 to 232 of the Companies Act, 2013, the Amalgamation as made by the Impugned Orders do not suffer from any apparent legal error which could call for an interference in the exercise of our Appellate powers under Section 421 of the Companies Act, 2013.

Thus, Company Appeal lacked the merits and the same were dismissed and the Scheme of Amalgamation as affirmed by the Impugned Judgment was confirmed.

❖ Market Watch

Stock Market Indices as on 30.04.2025	
S & P BSE Sensex	80242.24(-0.06%)
Nifty 50	24334.20(-0.01%)

Foreign Exchange Rates as on 30.04.2025 (https://m.rbi.org.in//scripts/ReferenceRateArchive.aspx)			
INR / 1 USD	INR / 1 EUR	INR / 1 GBP	INR/ 1 JPY
85.05	96.73	113.87	.59

CROSS-BORDER MERGERS & ACQUISITIONS (MAKING THE DEAL REAL)

About the Book

This publication not only focus on legal regime of Cross-Border M&A in India but also gives insights into the financial, legal, cultural and political analysis and interdependencies of Cross-Border Activities.

Year of Publication: 2023
Price: Rs. 400/- (Excluding Postage)

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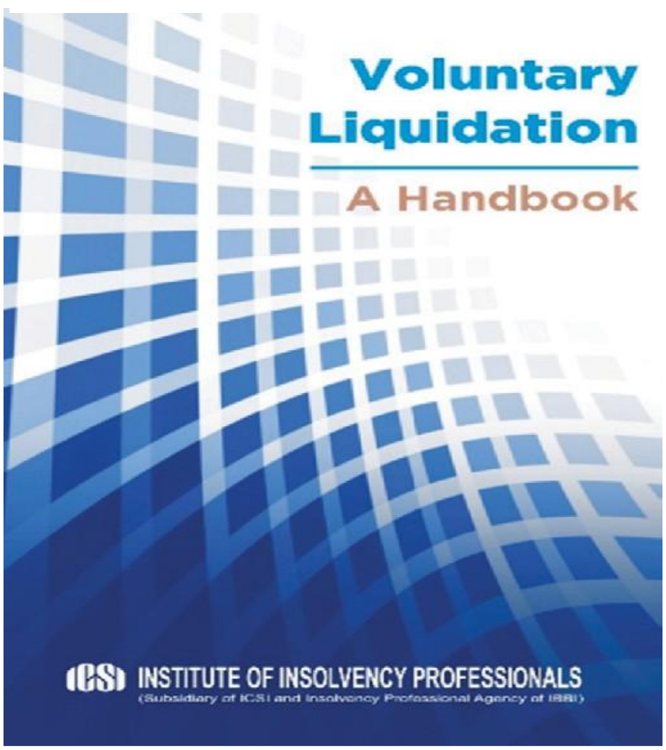
VOLUNTARY LIQUIDATION - A HANDBOOK



About the Book

This handbook serves as a comprehensive guide to the process of voluntary liquidation in India. This book covers the relevant provisions of Insolvency and Bankruptcy Code and Regulations, procedural aspects, specimen formats of all necessary resolutions, engagement letters, formats of intimation to authorities, various reports etc.

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