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WINS

(WHITESPAN INFORMATION AND NEWS SERVICES)

A GATEWAY TO KNOWLEDGE

Monthly Newsletter
January, 2024



WHITESPAN[®]
Advisory

2024

H A P P Y . N E W . Y E A R

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MAA FOUNDATION ACTIVITIES

In a world where dreams take flight, Women empower, shining bright. Breaking chains of the past, They stand strong, free at last.



MAA Foundation organizes regular skill development workshops and training programs to enhance women's professional and vocational skills. During the month of January 2023, MAA Foundation organized various POSH awareness sessions and also imparted vocational skills training to young girls under the “SUI DHAGA PROJECT”.

DUBAI NEW OFFICE

**We are thrilled to announce the opening of our office in Dubai.
Our new location will allow us to better serve our customers in the
Middle East and North Africa region.**



We will be offering high-quality services like:

1. Setting up business entities in Middle East and North Africa Region;
2. Accounting, Tax, Compliance and Payroll support;
3. Legal Consulting;
4. Investment Advisory and support;

MESSAGE FROM THE CHIEF EDITOR

“When I let go of what I am, I become what I might be.” – Lao Tzu

It gives us immense satisfaction to share the 81st Edition of “WINS – E-Newsletter” for January 2024, covering legal updates released during the month of December 2023, articles shared by respected professionals, Case Laws and compliance calendar for the month of January 2024.

In this issue, we have covered the following:

1. Corporate Updates from, MCA, SEBI, RBI, CBDT, CBEC and other miscellaneous Laws
2. Articles on Environmental, Social and Governance (ESG), The New Telecom Act 2023, Corporate Insolvency Resolution Process of Personal Guarantors to Corporate Debtor
3. Compliance checklist for the month of January 2024.

Trust, WINS not only helps you to keep yourself updated, but also saves your time with crisp summary, in the form of Editor’s Quick Take.

My sincere gratitude to each one of you for sparing your precious time in reading this newsletter and sharing your valuable feedback. Your suggestions and ideas have been a source of inspiration for us and have motivated and guided us to scout for better contents, every month, in timely manner. We take this opportunity to invite articles on topics of professional interest. Please ensure that the article is original, written in good style and adds value for the readers.

You may reach to us at vinayshukla@whitespan.in or [+91 9810 624 262](tel:+919810624262)

With warm regards,

TEAM WINS (Whitespan Information and News Services)
December 31, 2023

OUR EDITORIAL BOARD COMPRISES THE FOLLOWING PROFESSIONALS

- 1. Mr. Vinay Shukla**, a fellow member of The Institute of Company Secretaries of India (ICSI), a graduate in Law, Commerce and Management and the co-founder of WsA having more than thirty years' experience in wide spectrum of corporate functions.
- 2. Ms. Jaya Yadav**, a practicing company secretary based at Gurgaon is a fellow member of The Institute of Company Secretaries of India (ICSI) and a graduate in Law and Commerce from Delhi University.
- 3. Ms. Divya Shukla**, a practicing advocate enrolled in the Bar Council of Delhi and a graduate in Law and Commerce from Christ University, Bengaluru.
- 4. Mr. Shubham Tyagi**, a practicing advocate enrolled in the Bar Council of Delhi and a graduate in Law and Commerce from Delhi University.
- 5. Mr. Pushkar Garg**, Senior Associate at Whitespan Law Offices and member of The Institute of Company Secretaries of India (ICSI) and a graduate in Law and Commerce from MJP Rohilkhand University.
- 6. Ms. Tanya Shukla**, CS Trainee at Whitespan Law offices, and a graduate in Commerce from Kanpur University.
- 7. Ms. Sanjana Bindal**, CS Trainee at Whitespan Law offices, and a graduating from H.P. National Law University

Ministry of Corporate Affairs (MCA)

MCA vide its update dated December 26, 2023 informed the stakeholders to note that post registration on the V3 portal, the user shall receive their V2 user ids on their registered email within 5 hours.

Securities Exchange Board of India (SEBI)

1. Extension of timeline for implementation of provisions of circular on Redressal of investor grievances through the SEBI Complaint Redressal (SCORES) Platform and linking it to Online Dispute Resolution platform

Date of Circular: December 01, 2023

Effective Date: December 01, 2023

Link: <https://www.sebi.gov.in/legal/circulars/dec-2023/extension-of-timeline-for-implementation-of-provisions-of-circular-sebi-ho-oiae-igrd-cir-p-2023-156-dated-september-20-2023-on-redressal-of-investor-grievances-through-the-sebi-complaint-redressal-s-79499.html>

SEBI vide its circular dated December 01, 2023, in continuation to its circular no. SEBI/HO/OIAE/IGRD/CIR/P/2023/156 dated September 20, 2023, extended the effective date of implementation of the workflow for processing of investor grievances by entities and framework for monitoring and handling of investor complaints by the Designated Bodies from December 04, 2023, to April 01, 2024.

SEBI further clarified that entities shall continue to submit the Action Taken Report (“ATR”) on SCORES within 21 calendar days from the date of receipt of the complaint.

2. Filing of Announcements pertaining to Loss of Share Certificate/Issue of Duplicate Share Certificate/Closure of Trading Window and Corporate Insolvency Resolution Process ('CIRP') in XBRL format on NSE Electronic Application Processing System (NEAPS) platform.

Date Circular: December 08, 2023

Effective Date: December 09, 2023

Link: [Filing of Announcements pertaining to Loss and Duplicate Share Certificate, Trading Window, CIRP in XBRL format on NEAPS 1.pdf \(nseindia.com\)](#)

NSE and BSE vide its circular dated December 08, 2023, announced that the facility for filing disclosures intimating the following announcements under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('SEBI LODR') will be made available in XBRL format:

- 1) Loss of Share Certificate/Issue of Duplicate Share Certificate
- 2) Closure of Trading Window
- 3) Corporate Insolvency Resolution Process

At the initial stage, the PDF filings will be considered by the Exchange as compliance with Regulation 30 of the SEBI LODR. However, all listed entities would be required to also submit the filings in XBRL mode within 24 hours of submission of the said PDF filing. At a later stage (date to be informed separately), Exchange will shift to only XBRL submission.

Aforesaid three events, will be made available in XBRL format to the listed entities and it will be made available to the listed entities at the path Report >> Announcement XBRL Report

BSE has provided an online real-time Helpdesk to assist Users with their XBRL filings they may email queries if any to bse.xbrl@bseindia.com or call the Helpdesk on toll free number 9316749660,

3. Simplification of requirements for the grant of accreditation to investor

Date of circular: December 18, 2023

Effective date: December 18, 2023

Link: [SEBI | Simplification of requirements for the grant of accreditation to investors](#)

SEBI vide its circular dated December 18, 2023, simplified the requirements for grant of accreditation to investors. Key highlights of the circular are:

- I. Accreditation Agencies, which are also KYC Registration Agencies (KRAs), may access 'Know Your Customer' (KYC) documents of applicants available with them in the capacity of KRA and may also access the same from the database of other KRAs, for the purpose of accreditation.
- II. The Accreditation agencies shall grant accreditation solely based on the KYC and the financial information of the applicants.
- III. Assessment of the applicant for accreditation is solely based on the applicant's KYC and financial information and does not in any manner exempt market intermediaries and pooled investment vehicles from carrying out necessary due diligence of the accredited investors at the time of onboarding them as their clients.

4. Amendment to Circular dated July 31, 2023 on Online Resolution of Disputes in the Indian Securities Market

Date of circular: December 20, 2023

Effective date: December 20, 2023

Link: [SEBI | Amendment to Circular dated July 31, 2023 on Online Resolution of Disputes in the Indian Securities Market](#)

SEBI vide its circular dated December 20, 2023, amended its previous circular dated July 31, 2023, providing guidelines for online resolution of disputes in the Indian securities market. Key highlights of the same are:

- I. The seat and venue of mediation, conciliation, and/or arbitration shall be in India and can be conducted online. The fees, charges, and costs for the independent mediation institution or independent conciliation institution and/or independent arbitration institution (and of the mediators/conciliators/arbitrators), and other applicable costs, charges, and expenses may be as prescribed by such institution/s or as agreed upon by the parties with such institution/s.
- II. Entities that obtain registration from the Board as an intermediary or issuers that are getting their securities listed on or after the date of implementation of this circular, shall enroll in the ODR Portal immediately upon grant of registration or listing, as the case may be.
- III. The Market Participant against whom the investor/client pursues the online arbitration shall participate in the arbitration process. Accordingly, within 10 days of the initiation of the online arbitration by the investor/client, the Market Participant shall make a deposit of 100% of the admissible claim value with the relevant MII and make payment of the fees as applicable for online arbitration. Non-adherence to the foregoing by the Market Participant may result in an action against the Market Participant by MIIs and/or the Board.

5. Extension of timelines for providing ‘choice of nomination’ in eligible demat accounts and mutual fund folios

Date of circular: December 27, 2023

Effective date: December 27, 2023

Link: [SEBI | Extension of timelines for providing ‘choice of nomination’ in eligible demat accounts and mutual fund folios](#)

SEBI vide its circular dated December 27, 2023 extended the last date for submission of ‘choice of nomination’ for demat accounts and mutual fund folios respectively from December 31, 2023 to June 30, 2024.

6. Framework on Social Stock Exchange (“SSE”)

Date of circular: December 28, 2023

Effective date: December 28, 2023

Link: [SEBI | Framework on Social Stock Exchange](#)

SEBI vide its circular dated December 28, 2023 modified its previous circular SEBI/HO/CFD/PoD-1/P/CIR/2022/120 dated September 19, 2022 issued on framework on SSE. Key highlights of the same are:

1. Minimum requirements to be met by a Not for Profit Organization (NPO) for registration with SSE in terms of Regulation 292F of the ICDR Regulations

Broad Parameter	Indicator	Details
Exemption under Income-tax Act, 1961	Registration Certificate under section 12A/ 12AA/ 12AB/ 10(23C)/ 10(46) under Income tax Act, 1961	<ol style="list-style-type: none"> a. Registration Certificate under section 12A/ 12AA/ 12AB/ 10(23C)/ 10(46) is to be valid for at least the next 12 months. b. Details regarding pending notices or scrutiny cases from all regulatory and statutory authorities shall be disclosed at the time of making the application for registration. c. Fines or penalties if imposed shall be disclosed as paid or appealed within 7 days. The Stock Exchanges shall have the right to refuse registration of those applicants, if the notices/ scrutiny cases are grave and debilitating enough to endanger the registration of the NPO under the Income-tax Act, 1961 or other relevant laws.
Deduction under Income-tax Act, 1961	Valid 80G registration under Income Tax Act, 1961 for entities registered under section 12A/ 12AA/ 12AB of the Income-tax Act, 1961	Entity to ensure disclosure whether tax deduction is available or not to investors.

Minimum Initial Disclosure Requirement for NPOs raising funds through the issuance of Zero Coupon Zero Principal Instruments in terms of Regulation 292K(1) of the ICDR Regulations

Disclosure to be made under the head “Social Impact” shall include details of past social impact as per the existing practice of NPOs. The past social impact should highlight trends in key metrics/ parameters relevant to the NPO (as may be determined by the Exchanges) for which it seeks to raise funds on SSE, number of beneficiary, cost per beneficiary and administrative overheads.

The circular further lays down the procedure for public issuance of Zero Coupon Zero Principal Instruments by a not for profit organization, contents of the fund raising document along with other conditions relating to issuance of Zero Coupon Zero Principal Instruments

7. Master Circular for Online Resolution of Disputes in the Indian Securities Market

Date of Master Circular: December 28, 2023

Effective date: December 28, 2023

Link: [SEBI | Master Circular for Online Resolution of Disputes in the Indian Securities Market](#)

SEBI released an updated version of the Master Circular for Online Resolution of Disputes in the Indian Securities Market on December 28, 2023 available at the link mentioned above.



RESERVE BANK
OF INDIA
(RBI)

1. Sovereign Gold Bond (SGB) Scheme 2023-24

Date of Notification: December 19, 2023

Effective Date: December 19, 2023

Link: [Reserve Bank of India - Notifications \(rbi.org.in\)](https://www.rbi.org.in)

RBI vide its notification dated December 19, 2023, issued a notification for Regulated entities (REs) making investments in units of AIFs as part of their regular investment operations. Certain transactions of REs involving AIFs entail the substitution of direct loan exposure of REs to borrowers, with indirect exposure through investments in units of AIFs. In order to address concerns relating to possible evergreening through this route, RBI advised as under:

- a. REs shall not make investments in any scheme of AIFs that has downstream investments either directly or indirectly in a debtor company of the RE. *Explanation: The debtor company of the RE, for this purpose, shall mean any company to which the RE currently has or previously had a loan or investment exposure anytime during the preceding 12 months.*
- b. If an AIF scheme, in which RE is already an investor, makes a downstream investment in any such debtor company, then the RE shall liquidate its investment in the scheme within 30 days from the date of such downstream investment by the AIF. If REs have already invested into such schemes having downstream investment in their debtor companies as on date, the 30-day period for liquidation shall be counted from the date of issuance of this circular. REs shall forthwith arrange to advise the AIFs suitably in the matter.
- c. In case REs are not able to liquidate their investments within the above-prescribed time limit, they shall make 100 percent provision on such investments.

In addition, investment by REs in the subordinated units of any AIF scheme with a 'priority distribution model' shall be subject to full deduction from RE's capital funds.

2. Investments in Alternative Investment Funds (AIFs)

Date of Notification: December 11, 2023

Effective Date: December 11, 2023

Link: [Reserve Bank of India - Notifications \(rbi.org.in\)](https://www.rbi.org.in)

RBI vide its notification dated December 11, 2023, announced Series III and IV of Sovereign Gold Bond Scheme 2023-24. Under the Scheme, there will be distinct series (Series III and IV) which will be indicated on the Bond issued to the investors. The terms and conditions of the issuance of the Bonds shall be as per the above notification. The Bonds shall be issued as per the details given below:

Sr. No.	Tranche	Date of Subscription	Date of Issuance
1.	2023-24 Series III	December 18 - December 22, 2023	December 28, 2023, Thursday
2.	2023-24 Series IV	February 12 - February 16, 2024	February 21, 2024, Wednesday

Kindly refer the notification for details on the period of subscription and application.

3. Foreign Exchange Management (Manner of Receipt and Payment) Regulations, 2023

Date of Notification: December 21, 2023

Effective Date: December 21, 2023

Link: [Reserve Bank of India - Notifications \(rbi.org.in\)](https://rbi.org.in)

RBI vide its notification dated December 21, 2023, notified the Foreign Exchange Management (Manner of Receipt and Payment) Regulations, 2023. Key highlights of the same are:

The receipt and payment between a person resident in India and a person resident outside India shall, unless provided otherwise, be made through an Authorized Bank or Authorized Person and in the manner as specified below:

- (I) Trade transactions** - (a) receipt/payment for export to or import from the countries given below of eligible goods and services shall be made as under:
 - (i) Nepal and Bhutan** - in Indian Rupees provided that in case of exports from India where the importer in Nepal has been permitted by the Nepal Rashtira Bank to make payment in foreign currency, such receipts towards the amount of the export may be in foreign currency;
 - (ii) Member countries of ACU, other than Nepal and Bhutan** - through ACU mechanism or as per the directions issued by the Reserve Bank to authorized dealers from time to time:

Provided that in case of imports where the goods are shipped to India from a member country of the ACU (other than Nepal and Bhutan) but the supplier is a resident of a country other than a member country of the ACU, the payment may be made in a manner as specified at (iii) below.

(iii) Countries other than member countries of ACU - In Indian Rupees or any foreign currency.

(b) Notwithstanding anything contained in this sub-regulation, receipts and payments may also be made in a manner as may be provided in the extant Foreign Trade Policy framed by the Central Government.

Explanation: The expression 'ACU' (Asian Clearing Union) shall have the same meaning assigned to it under Article I of the ACU agreement, and the ACU mechanism shall be construed accordingly.

(II) Transactions other than trade transactions - receipt and payment shall be made as under:

(i) Nepal and Bhutan - In Indian Rupees provided that in case of overseas investment in Bhutan, payment may also be made in foreign currency;

(ii) Other Countries – In Indian Rupees or any foreign currency.

(3) Payment and receipt in India for any current account transaction, other than a trade transaction, between any person resident in India and a person resident outside India, who is on a visit to India, may be made only in Indian Rupees.

4. Classification of MSMEs

Date of Notification: December 28, 2023

Effective Date: December 28, 2023

Link: [Reserve Bank of India - Notifications \(rbi.org.in\)](https://www.rbi.org.in)

RBI vide its notification dated December 28, 2023 modified the Master Direction – Reserve Bank of India [Lending to Micro, Small & Medium Enterprises (MSME) Sector] - Directions, 2017.

Key highlights of the same are:

- I. An enterprise classified as a micro, small or medium enterprise on the basis of the criteria mentioned in the Master Direction are required to register online on the Udyam Registration portal and obtain 'Udyam Registration Certificate'. For Priority Sector Lending purposes banks shall be guided by the classification recorded in the Udyam Registration Certificate (URC).
- II. The certificate issued on Udyam Assist Portal (UAP) to Informal Micro Enterprises (IMEs) shall be treated at par with Udyam Registration Certificate for the purpose of availing Priority Sector Lending benefits. IMEs with an Udyam Assist Certificate shall be treated as micro enterprises for the purpose of PSL classification.

4. Master Direction - Reserve Bank of India (Internal Ombudsman for Regulated Entities) Directions, 2023

Date of Notification: December 29, 2023

Effective Date: December 29, 2023

Link: [108MDINTERNALOMBUDSMANCC05402F77BE4F229B59877F341386A4.PDF \(rbi.org.in\)](https://www.rbi.org.in/108MDINTERNALOMBUDSMANCC05402F77BE4F229B59877F341386A4.PDF)

RBI vide its notification dated December 29, 2023 modified the Master Direction - Reserve Bank of India (Internal Ombudsman for Regulated Entities) Directions, 2023.

These Directions are issued with a view to strengthen the Internal Grievance Redress mechanism within a Regulated Entity and ensure a proper and speedy resolution of customer complaints by enabling a review before their rejection, by an apex level authority within the Regulated Entity.

The Directions integrate and update the erstwhile Internal Ombudsman Schemes issued by the Reserve Bank for banks, Non-Banking Financial Companies (NBFCs), Non-bank System Participants (NBSPs) and Credit Information Companies (CICs).

Central Board of Direct Taxes (CBDT)

1. Gross Direct Tax collections for the Financial Year(FY) 2023-24 register a growth of 17.01%

Date of press release – December 18, 2023

CBDT vide its press release dated December 18, 2023 released figures of Gross Direct Tax collections for the Financial Year(FY) 2023-24 as under:

Net Direct Tax collections for the FY 2023-24 have grown at over 20.66%

Advance Tax collections for the FY 2023-24 stand at Rs. 6,25,249 crore which shows a growth of 19.94%

Refunds aggregating to Rs. 2,25,251 crore have been issued in the current fiscal.

The provisional figures of Direct Tax collections for the Financial Year 2023-24 (as on 17.12.2023) show that Net collections are at Rs. 13,70,388 crore, compared to Rs. 11,35,754 crore in the corresponding period of the preceding Financial Year (i.e. FY 2022-23), representing an increase of 20.66%. The Net Direct Tax collection of Rs. 13,70,388 crore (as on 17.12.2023) includes Corporation Tax (CIT) at Rs. 6,94,798 crore (net of refund) and Personal Income Tax (PIT) including Securities Transaction Tax (STT) at Rs. 6,72,962 crore (net of refund).

2. Say No to Cash Transactions and eight other new brochures are available

CBDT has announced [Say No to Cash Transactions and eight other new brochures](#) as per the details below:

English Brochures

- [Say no to Cash transactions \(Part-I\)](#)
- [Say no to Cash transactions \(Part-II\)](#)
- [Taxability on sale of immovable property by Non-Residents](#)
- [Taxpayers' Charter 2020](#)
- [Faceless Appeal](#)

Hindi Brochures

- [How to correct Form 26QB](#)
- [Benefits for Senior Citizens and Super Senior Citizens under Income-tax Act, 1961](#)
- [Worried about proper credit of Income-tax Deducted/Collected?](#)
- [How to Apply for Redressal of grievances on Traces Website for Deductor's](#)

Above mentioned brochures are available at the link below:

[Pages - Home - Central Board of Direct Taxes, Government of India \(incometaxindia.gov.in\)](#)

Miscellaneous Laws

1. Notification of the Bharatiya Nagarik Suraksha Sanhita, 2023, the Bharatiya Nyaya Sanhita, 2023 and Bharatiya Sakshya Adhinyam, 2023

Ministry of Law and Justice vide its notification dated December 25, 2023 notified the following:

- a. The Bharatiya Nagarik Suraksha Sanhita, 2023
- b. The Bharatiya Nyaya Sanhita, 2023 and
- c. The Bharatiya Sakshya Adhinyam, 2023

2. INSOLVENCY AND BANKRUPTCY BOARD OF INDIA-PANEL FOR JANUARY 1, 2024 TO JUNE 30, 2024

The Insolvency and Bankruptcy Board of India on December 29, 2023, released the Panel of IPs for appointment as:
Interim Resolution Professional (IRP) in a Corporate Insolvency Resolution Process (CIRP) under section 16(4), -

- i. Liquidator in a liquidation process under section 34(6) ,
- ii. Resolution Professional (RP) in an individual insolvency resolution process under section 97(4) or 98(3), and
- iii. Bankruptcy Trustee (BT) under section 125(4), 146(3) or 147(3) of the Insolvency and Bankruptcy Code, 2016, by Adjudicating Authority

Above stated list is available at the link below:

[76f6f0af1408a5483f9dbe31fbccc9e7.pdf \(ibbi.gov.in\)](https://www.ibbi.gov.in/76f6f0af1408a5483f9dbe31fbccc9e7.pdf)

Article 1

ENVIRONMENTAL, SOCIAL AND GOVERNANCE (ESG)

Environmental, Social, and Governance (ESG) is a framework used to assess an organization's business practices and performance on various sustainability and ethical issues. ESG helps stakeholders understand how organizations manage risks and opportunities related to the abovementioned three parameters.

A 2004 report from the United Nations – titled Who Cares Wins – carried what is widely considered the first mainstream mention of ESG in the modern context. This report leaned in heavily, to encourage all business stakeholders to embrace ESG in the long-term.

The modern concept of ESG, which we're so familiar with today, took shape in the mid-2000s. However, the principles behind ESG are decades, maybe even centuries, old. It depends on where you draw the line.

Throughout the 20th century, we have seen plenty of campaigns pressuring companies into fairer, more sustainable business practices. How well they worked is a matter of debate, but their presence isn't under any doubt.

Examples include efforts to stop the exploitation of workers, the funding of wars or oppressive regimes like apartheid, and the introduction of corporate governance codes – legal “rulebooks” telling companies how to manage themselves.

Events like these demonstrated that governments, investors, and consumers recognized the power of corporate entities to shape the world around them. Over time, this power came under more and more scrutiny.

These developments coincided with increased international attention on the same issues. Rapidly, people cared more about sustainability, respect, and diversity in the workplace. Campaigns on these issues haven't waned since.

India has been a bystander as the ESG (environmental, social, and governance) revolution swept through advanced economies and global investment practices. But it's high time for the world's fifth largest and fastest-growing economy, which leads the G20's ESG agenda, to step up. Fortunately, India is well aware of its responsibilities, and the regulators are forever eager to take on new assignments.

The Business Responsibility and Sustainability Report (BRSR) is a mandatory reporting framework for India's top 1000 listed companies.

It was introduced by the Securities and Exchange Board of India (SEBI) in 2021 and is based on the nine United Nations Global Compact principles.

The BRSR requires companies to disclose information on various ESG topics, including their environmental impact, social responsibility, and corporate governance. This information is intended to help investors, subscribers, and other stakeholders make informed decisions about the companies they interact with. The SEBI has been urging businesses to disclose intricate details for transparency and sustainability. The BRSR now mandates such disclosures for top companies. SEBI introduced the BRSR framework with nine major ESG attributes to guide disclosures. For a conscious ecosystem, transparent and reliable disclosure is just the start; fine-tuning ESG rating practices is vital.

SEBI's guidelines permit mutual funds to launch multiple ESG-oriented funds, each focusing on specific strategies such as exclusion, integration, best-in-class, positive screening, impact investing, sustainable objectives, or transition investments. These funds must allocate at least 80% of their corpus to the chosen strategy, paving the way for a more nuanced ESG-conscious investing ecosystem.

With improved ESG-focused disclosures and a well-established ESG ratings framework, the next step involves raising awareness in the investing ecosystem. If the mutual fund industry's efforts are any indication, we are on the right path.

In India's bustling ESG landscape, businesses are no longer measured solely by their profits but by their commitment to sustainable and responsible practices. BRSR has emerged as the beam guiding enterprises through this evolutionary journey, taking critical space alongside other global ESG frameworks.

Indian companies are increasingly embracing BRSR to disclose their sustainability performance. The adoption of BRSR by Indian companies is a positive development for ESG reporting in India. BRSR is helping to improve the quality and reliability of ESG disclosures and to promote sustainable business practices.

Indian companies have been increasingly disclosing information on their greenhouse gas emissions, their efforts to reduce emissions and their adaptation plans including:

1. the need to meet India's net-zero emissions goal by 2070;
2. the increasing cognizance of the impact of climate change; and
3. the ever-growing demand for sustainable products and services from consumers

Organizations need to identify projects of impact, break them into critical milestones, and ensure that these are achieved by the targeted dates. These smaller steps can help them achieve their net-zero goals in the long run.

Reporting their ESG Metrics under BRSR and meeting their net-zero goals requires exceptional operational efficiency and the ability to seamlessly report accurate investment-grade ESG data. Businesses in India are increasingly acknowledging the power of digital transformation in their ESG and Sustainability journey.

The lack of a skilled talent pool is a challenge in adoption of BRSR practices. BRSR requires specific knowledge and expertise in areas such as environmental impact assessments, sustainability reporting, and risk management.

SEBI is mindful of India's developing country status and has also introduced BRSR core disclosures and assurance for the value chain of listed entities. The BRSR Core is a sub-set of the BRSR, consisting of a set of Key Performance Indicators (KPIs)/metrics under 9 ESG attributes. So, the BRSR Core follows a "comply or explain" principle, requiring companies to report ESG information as specified or provide a valid reason if they don't. It is now over to the companies to realize the value and comply in true spirit since ESG plays a pivotal role in promoting their long-term sustainability and brand image.

CS (Dr.) Khalid Iqbal Khan
General Counsel, India
Director-Legal & Company Secretary
Federal-Mogul Goetze (India) Limited
A TENNECO Group Company

Article 2

The New Telecom Act 2023

The New Telecom Bill was tabled before the Lok Sabha and Rajya Sabha. It was duly passed by both the Houses of the Parliament on 21 December 2023. The Bill was sent to the President for her assent. The Bill has been signed and the Gazette Notification is awaited.

The Bill seeks to reform and simplify the regulatory and licensing regime for telecommunications in India and remove bottlenecks in creating telecom infrastructure. The structural reforms envisaged under The Telecommunications Act, 2023 aim to a simple authorisation mechanism. The Bill seeks to replace the Indian Telegraph Act, 1885 and the Indian Wireless Telegraphy Act, 1933 and the Telegraph Wires (Unlawful Possession) Act, 1950. The previous two Acts are century old legislations of the British Raj. Till now the telecom sector in India has been governed under three laws:

- (i) the Indian Telegraph Act, 1885 providing for licensing of telegraph-related activities and interception of communication,
- (ii) the Indian Wireless Telegraphy Act, 1933 for regulating the of possession of wireless telegraph apparatus, and (
- (iii) the Telegraph Wires (Unlawful Possession) Act, 1950 for regulating the of possession of telegraph wires. The other related Act namely; the Telecom Regulatory Authority of India (TRAI) Act, 1997 sets up TRAI as the telecom regulator, which regulates tariffs for the telecom sector remained as it is. It is pertinent to mention that the TRAI Act has also established the Telecom Disputes Settlement and Appellate Tribunal (TDSAT) to adjudicate disputes and dispose of appeals remains untouched.

The historical Indian Telegraph Act, 1885 so far regulated telegraph services in India, which involved sending messages in the form of symbolic codes over wires or radio waves known as telegram (telegraph services were shut down in India in 2013). Communication technology has since evolved significantly in leaps and bound to facilitate real-time transmission of text, voice, images, and video information. These have given rise to a variety of services including voice calling, SMS, radio broadcasting, television, and internet-based communication services for messaging and video calling, OTT and Gaming services and so on. All this while, the 1885 Act has continued to be in use for the regulation of telecom and its related services, whereas many industry pundits have pointed out that the modern days advanced telecom services are beyond the purview of the 1885 Act and we should have a new act to keep pace with the advancement of technology. Due to development of technology service providers were able to converge and had the ability to provide similar or multiply kinds of services across different technologies.

For example, cable television network has been used to provide internet services, and internet can be used to provide access to public broadcasting. For these reasons the Government realised that due to the development and growth of nature of telecom, its usage, and technologies have undergone a massive change since the era of the telegraph. Hence, there is a need to recast, overhaul and restructure the existing legal and regulatory framework for the telecom sector in India to keep pace with the advancement of technology.

In the past almost two decades before one such attempt was made and the Communication Convergence Bill introduced in Lok Sabha in 2001. The Bill sought to replace the three telegraph laws, the TRAI Act, and the Cable Television Networks (Regulation) Act, 1995. The Bill was examined by the Standing Committee on Information Technology. Unfortunately, the Bill lapsed with the dissolution of 13th Lok Sabha. Thereafter, no serious attempts were made by the Government to take up the matter afresh. Finally, the Draft Telecommunication Bill 2023 was introduced to the Parliament in December 2023 and now it has been passed.

The main purpose of the new Act has been explained in the preface of the Act. Which says:

“Considering telecommunication is a key driver of economic and social development, and telecommunication infrastructure and telecommunication network are important parts of public infrastructure, and it is necessary to ensure availability of affordable, reliable, secure and universal telecommunication services; and Considering spectrum is a valuable and inexhaustible natural resource, has an element of public good, and it is vital to ensure efficient management and use of the spectrum; This Act consolidates and amends the laws governing provision, development, expansion and operation of telecommunication services, telecommunication networks and telecommunication infrastructure and assignment of spectrum and for matters connected or incidental thereto;”

The New Act is almost ‘an old wine in a new bottle’ The New Act grants very important rights and privileges to the Central Government under Clause 3 of the Act under the heading ‘Exclusive Privilege’ and they as follows:

(1) The Central Government shall have the exclusive privilege, within India, to:

- (a) provide telecommunication services;
- (b) establish, operate, maintain and expand telecommunication network and telecommunication infrastructure; and
- (c) use, allocate and assign spectrum.

(2) The Central Government may exercise its privilege under sub-section (1) by granting to any entity, in the manner as may be prescribed:

- (a) license for providing telecommunication services or establishing, operating, maintaining and expanding telecommunication networks;
- (b) registration for providing telecommunication infrastructure;
- (c) authorization for the possession of wireless equipment; or
- (d) assignment of spectrum.

(3) The Central Government, if it determines that it is necessary in the public interest to do so, may exempt from the requirement of license, registration, authorization or assignment under sub-section (2), in the manner as may be prescribed. Though the Government had the initial desire to control the OTT Platform and its content and for the time being this service has been kept out of the scope and ambit of the new Act. Some critics say that OTT regulation is excluded from the ambit of regulation of the Telecommunications Bill, 2023, is not borne out from its text and the intention of the Government. The Union government has enough power may prescribe licence conditions that may vary as per “telecommunication service” [Section 3(1)(a) and Section 3(1)(b)] and require prior registration that may be used for the government to weaken privacy and increase snooping in future. While the phrases “OTT”, “Messaging Services” or even “Email” are not expressly mentioned in the Telecommunications Act, they at the same time have not been expressly excluded from the definition of “telecommunication service” which means, “any service for telecommunication” [Section 2(t)]. Further, the phrase, “telecommunication” is defined to include, “transmission... or reception of any messages...” Hence, any internet-based messaging and email services will come under the ambit of the new law.

A new Act also envisages on the occurrence of any public emergency, including disaster management, or in the interest of public safety, the Central government or a State government or any officer specially authorised in this behalf by the Central government or a State government, if satisfied that it is necessary or expedient so to do, by notification — take temporary possession of any telecommunication service or telecommunication network from an authorised entity.” Some critic opine that a Damocles sword will always hang on the service providers.

The main salient features of the Act may be summarised as follows:

1. If any person is found to be using a third person's Government ID to get a new SIM card, they will face jail of up to three years or a maximum penalty of Rs 50 lakh or both.
2. If any mobile user has more than nine SIM cards issued on one Aadhaar card, they will be penalised up to Rs 50,000 for the first time and Rs 2 lakh for subsequent offences.
3. If any company provides service without authorisation or gets it illegally, they can be put behind bars for up to three years or fined up to Rs 2 crore or both. Breaching terms and conditions may lead to a penalty of up to Rs 5 crore.
4. If any criminal is found in possession of a custom SIM box or primary rate interface of any other device to make illegal international calls, they will be penalised up to Rs 10 lakh.
5. Telecom companies can only get equipment from the Centre's "trusted sources".
6. The Centre will have the power to establish rules for cybersecurity in telecom networks.
7. The chairman of the Telecom Regulatory Authority of India (TRAI) should have at least 30 years of experience. For Trai members, the eligibility is 25 years.
8. The companies need to get prior consent from users to receive advertising messages. The telcos also need to maintain a record of Do Not Disturb numbers. Moreover, an online redressal platform also needs to be set up.
9. The verification of the identity of subscribers can only be done using biometric-based IDs like Aadhaar Cards.
10. The telecom spectrum will only be issued through auction except in some cases of national security, defence, disaster management and transport.

We are advancing in technology. Now in India Satellite based internet services will be available very soon. The service providers will need spectrum to enable them to reach their services to the customers. Strangely, the Government has decided not to auction the spectrum to these service providers instead assign at administrative prices without auction.

To conclude it took almost 138 years to come out of the cloak of the British Raj legislation to have a new updated legislation in pace with the development of technology and hope in future necessary amendments are introduced to be relevant along with the development of technology.

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Article 3

Corporate Insolvency Resolution Process of Personal Guarantors to Corporate Debtor

Personal Guarantors to Corporate Debtor is an independent and co-extensive liable to pay off the entire outstanding debt. It is the discretion of the creditor to file application first against the corporate debtor or against the guarantor, personal guarantor of the corporate debtor. Approval of resolution plan does not release the personal guarantor from the debt of the corporate debtor, if dues is remained. The creditor may file application under section 7 of the Code for balance of dues.

Liability of the Principal Debtor and guarantor simultaneously as per IBC

Liability against the principal debtor and guarantor is simultaneously, co-extensive. *In Kiran Gupta vs. State Bank of India & Anr., W.P.(C) 7230/2020 & C.M.APPL.24414/2020(Stay), High Court of Delhi Date of Decision 2 November, 2020.* The issue in the Writ Petition is whether proceedings against the Principal Borrower under the IBC Code and against the Guarantor under SARFAESI Act can be instituted and continued simultaneously. A plea has been taken that after approval of the Resolution Plan under the IB Code, the liability of the Guarantor also comes to an end. The Court held that the liability of the principal borrower and the Guarantor remain co-extensive and the bank is entitled to initiate proceedings against the principal debtor and the guarantor simultaneously. Reliance is placed in the judgment of the Supreme Court *in State Bank of India v. V.Ramakrishan and Another, reported as (2018) 17 SCC 394*, who holds that Section 14 and Section 31 of the IB Code do not bar initiation and continuation of SARFAESI proceedings against the Guarantor.

In Lalit Kumar Jain vs. Union of India & Ors., Transferred Case (Civil) No.245/2020 with Writ Petition (C) No.117/2021 etc., Supreme Court of India Date of Decision 21th May, 2021. The amendment to Section 60(2) added that it applied to insolvency proceedings of liquidation/bankruptcy of a corporate guarantor or personal guarantor as the case may be, to a corporate debtor. The result of the amendment is that when a corporate debtor faces insolvency proceedings, insolvency of its corporate guarantor too can be triggered. Likewise, a personal guarantor to a corporate debtor, facing insolvency, can be subjected to insolvency proceedings.

All this is to be resolved by the NCLT. In other words, the amendment by Section 60(2) too achieved a unified adjudication through the same forum for resolution of issues and disputes concerning corporate resolution processes, as well as bankruptcy and insolvency processes in relation to personal guarantors to corporate debtors. Individuals, who stand guarantee to corporate debtors and whose liability is co-terminus with such corporate debtors were outside the field of the Code. This resulted in an anomaly inasmuch as one set of guarantors to corporate debtors, i.e., individuals, or personal guarantors was outside the purview of the Code whereas other set of guarantors, i.e., corporate guarantors were subjected to the provisions of the Code and could also be proceeded against in Part-II. Thus, Part-III was enforced and operationalised the mechanism suitably for a class of individuals, i.e., personal guarantors. The object of this hybridization is to empower the NCLT to deal with the insolvency resolution and bankruptcy process of the corporate debtor along with the corporate guarantor and personal guarantor of the corporate debtor. Parliament is conscious of the fact that personal guarantors to corporate debtors are generally promoters or close relatives of corporate debtors, and in many cases, the corporate's indebtedness was due to acts of misfeasance and siphoning of funds done by personal guarantors. Apart from this, personal guarantors to corporate debtors have a contractually agreed debt alignment with such debtors. They are jointly and severally responsible for the same debt. *In the matter of State Bank of India Vs. Athena Energy Ventures Private Limited, Company Appeal (AT) (Ins) No.633 of 2020, NCLAT Date of Judgement:24th November, 2020.* CIRP can proceed against Principal Borrower as well as guarantor simultaneously. The Appellate Authority directed to appoint the same resolution professional. Reliance is placed *in the case of Edelweiss Asset Reconstruction Company Limited vs. Sachet Infrastructure Ltd and Ors. dated 20 September, 2019. In the matter of Mr. Nitin Chandrakant Naik Vs. Sanidhya Industries LLP, Company Appeal (AT)(Insolvency) No.257 of 2020, NCLAT, Principal Bench New Delhi: 26th August, 2021.* Taking the personal property of the corporate guarantor, without resorting to appropriate proceedings of the corporate guarantor is irregular exercise of powers. Appellate Authority directed to return the property. As the resolution plan approved was not in accordance with the laid down provisions and stipulated time is over, the Appellate Authority directed the Adjudicating Authority to initiate liquidation proceedings. *In the matter of Mr. Sandeep Garg, Vs, M/s DMI Finance Pvt. Ltd, Company Appeal (AT)(Insolvency) No.321 of 2021, NCLAT Date of Judgement:24.03.2022.* The release or discharge of a principal borrower from the debt owed by it to its creditor, by an involuntary process, i.e., by operation of law or due to liquidation or insolvency proceeding, does not absolve

Reliance is placed in *the case of Lalit Kumar Jain v/s UOI & Ors [Transferred Case (C) No.245 of 2000], in para 11 and 112; In State Bank of India vs. Athena Energy Ventures Pvt Ltd [CA {AT}(Ins) No.633 of 2000*, wherein simultaneous action regarding liquidation or bankruptcy of a corporate debtor and personal guarantor can take place simultaneously.

Initiation of Corporate Insolvency Resolution Process against guarantor

The release or discharge of a principal borrower from the debt does not absolve the surety/guarantor of his or her liability. *In Sudip Dutta @Sudip Bijy Dutta vs. State Bank of India, Company Appeal (AT)(Insolvency) No.807 of 2021 and 740 of 2022, NCLAT, Principal Bench New Delhi Date of Judgement:29 July, 2022.* Personal Guarantor of a Corporate Debtor can not escape from its liability under the Personal Guarantee Deed merely on the ground that he is now started residing in another country and acquired citizenship of another country and is no more an Indian citizen. *In Mr. Satyan Kasturi vs. State Bank of India, Stressed Assets Management Branch, Company Appeal (AT)(CH)INS No.239 of 2022.* The Financial Creditor being an 'independent' and 'special proceedings', which can be invoked by the 'Financial Creditor' (without any fetter), despite, availability of any other 'Fora, the residence of 'Personal Guarantor' is not taken into account when proceedings against 'Personal Guarantor' are initiated. *In Vineet Saraf vs. Rural Electrification Corporation Ltd, W.P.(C) 3293/2023 & CM APPL. 12815/2023, High Court of Delhi at New Delhi Date of Judgement:21.07.2023.* The release or discharge of a principal borrower from the debt owed by it to its creditor, by an involuntary process, i.e. by operation of law, or due to liquidation or insolvency proceedings, does not absolve the surety/guarantor of his or her liability, which arises out of an independent contract.

Jurisdiction of the filing an application is NCLT

Application is to be filed in the adjudicating authority where the registered office of the company is situated. *In Kusum Product Limited (KPL) Vs. Union of India And Anr., W.P.(C) 236/2017 & C.M. No. 1169/2017, High Court of Delhi at New Delhi order dated 29th August, 2017.* The company shall approach the NCLT, in whose jurisdiction, its registered office is situated. *In the matter of Anil Kumar Malhotra vs. M/s Mahindra & Mahindra Financial Ltd* through its Authorized Representative Susmit Garima & Anr NCLT Mumbai has jurisdiction in respect of any matter of the Facility Agreement. Appellate in relation to Insolvency Authority confirmed the order of Adjudicating Authority that in relation to Insolvency Resolution, jurisdiction shall be the National Company Law Tribunal having territorial jurisdiction over the place where the registered office of the corporate person is located.

The provisions of IBC, 2016 has to be given overriding effect by virtue of Section 238 of the Code. *In the matter of Mahender Kumar Jajodia Vs. State Bank of India Stressed Assets Management Branch, Civil Appeal No(s) No.1871-1872/2022, Supreme Court of India Date of order:21.03.2022.* Adjudicating Authority for personal guarantors will be NCLT, if a parallel resolution process or liquidation process is pending in respect of a corporate debtor for whom guarantee is given. Reliance is placed on the Supreme Court case in the matter of *Lalit Kumar Jain vs. Union of India & Ors, reported in*

Liability of guarantor on approval of Resolution Plan

The approval of the Resolution Plan does not exempt the guarantor from the liability. *In the case of Gauri Shanker Jain vs. Punjab National Bank & Anr., W.P. No.10147 (W) of 2019, Calcutta High Court Date of Decision 13 November 2019.* The question arise whether the liabilities of the guarantor of a debt of corporate debtor stood extinguished on approval of Resolution Plan? The approval of the Resolution Plan does not exempt the guarantor from the liability. Reliance is placed in *1982 Volume 3 Supreme Court Cases page 358 (Maharashtra State Electricity Board Bombay vs. Official Liquidator High Court, Ernakulam and Anr.) All India Reporter 1988 Calcutta page 18 (United Bank of Indi vs. Modern Stores (India) Ltd and All India Reporter 2002 Supreme Court page 1814 (.); Company Appeal (80) (insolvency) No. 164 of 2018 (Lalit Mitra and Ors. Vs. Sharan Bio Medicine and Ors) and 2018 Volume 17 Supreme Court cases pages 394 (State Bank of India v. Ramakrishnan & Anr),*

Interim Moratorium

The purpose of interim-moratorium is to protect the debtor from further legal proceedings. *In Axis Trustee Services Limited vs. Brij Bhushan Singal & Anr, CS(COMMA) 8/2021 & I.A. 10333/2021 , High Court of Delhi at New Delhi Date of order: 4 November, 2022.* The object of the Code is not to allow personal guarantors to corporate debtor to escape from an independent and co-extensive liability to pay off the entire outstanding debt, which is why Section 14 of the Code is not applied to them. However, insofar as firms and individuals are concerned, guarantees are given in respect of individual debts by persons who have unlimited liability to pay them. The moratorium mentioned in section 101 would cover such persons, as such moratorium is in relation to the debt and not the debtor.

Further, Interim-moratorium under Section 96 in respect of one of the guarantors would not *ipso facto* apply against a co-guarantor. The purpose of interim-moratorium is to protect the debtor from further legal proceedings. *In Dilip B. Jiwrajka vs. Union of India & Ors, Writ Petition (Civil) No.1281 of 2021 with W.P.(C) No.149/2022 & connected, Supreme Court of India Date of order: November 9, 2023.* The purpose of interim-moratorium is to protect the debtor from further legal proceedings. *In State Bank of India vs. Ramakrishnan & Another*, the Hon'ble Supreme Court has held that Section 14 of "I&B Code", does not apply to personal guarantor, but only applies to Corporate Debtor. *In the same case, State Bank of India v. V. Ramakrishnan (2019) 1 CTC 889.* The interim moratorium commences on the date of lodging of the application under Section 95 of the Code. *In Jeny Thankachen vs. Union of India, Ministry of Finance Department of Financial Services, Writ Petition(c), No.31502 of 2023, High Court of Kerla at Ernakulam Date of order: 17th November, 2023.* As long as the petitioner's application is not numbered by the NCLT, the interim moratorium contemplated under Section 96(1)(b)(i) cannot come into operation.

Staying legal action or proceedings during the interim moratorium period

Filing application under section 94 of the Code would not mean that the proceedings under Section 138 would get automatically stayed even in terms of Section 96 of the Code. *In Vijay Kumar Ghai Vs. Pritpal Singh Babbar, CRM-M-22685-2021(O&M), In the High Court of Punjab & Haryana at Chandigarh, Date of Decision: July 4, 2022.* "All the debts" and "any legal action or proceedings pending in respect of any debt" to mean that it would cover all such debts including any debt not pertaining to a corporate debtor for whom the accused in such a complaint under Section 138 stood as a personal guarantor to, even in his capacity as a Director of such Corporate Debtor. *In the same case*, the Magistrate passed order that simply because the petitioner had filed an application under Section 94 of the Insolvency and Bankruptcy Code, 2016 that would not mean that the proceedings under Section 138 would get automatically stayed even in terms of Section 96 of the Code. Therefore, petition under section 482 Cr.P.C. was filed. The Hon'ble High Court held that till a decision is taken by the Adjudicating Authority in terms of Section 100 and 101 of the Code, the proceedings before the learned trial court under Section 138 of the Act, would remain stayed.

In the matter of Rohit Nath & Rohit Rabindra Nath Vs. KEB Hana Bank Ltd, C.R.P.(PD) No.1289 of 2021, High Court of Judicature at Madras Date of Decision :28.07.2021. If Corporate Insolvency Resolution Process is initiated under the provisions of the Code operating to the company, the insolvency resolution process pertaining to guarantor would be filed before the same adjudicating authority, i.e. NCLT. But, where there is no corporate insolvency resolution process is initiated in respect of company., an insolvency proceedings pertaining to guarantor 'P' must necessarily be carried only to the jurisdictional Debt Recovery Tribunal and not to any other forum..

In case of further query, clarification, you may direct contact to the Author.

Various books of the author have published, i.e.

(1) [SERIOUS FRAUD UNDR THE COMPANIES ACT & THE LLP ACT](#) -

https://www.amazon.in/Serious-fraud-under-companiesact/dp/9358113553/ref=sr_1_1?keywords=SERIOUS+FRAUD+UNDER+THE+COMPANIES+ACT+%26+THE+LLP+ACT&sr=8-1

(2) [LAW ON INSOLVENCY AND BANKRUPTCY](#) -

https://www.amazon.in/dp/9356596808?ref=myi_title_dp

(3) [ADJUDICATION OF COMPANIES ACT, MATTERS UNDER NCLT \(Third Edition-2023\)](#)

https://www.amazon.in/dp/9353619084/ref=cm_sw_em_r_mt_dp_KXX67601KJSBGXWESMFM

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Case Laws

1. In **Cox and Kings Ltd. vs. Sap India Pvt. Ltd. and Ors.** a Constitution Bench of the Supreme Court declared that, according to the "group of companies" doctrine, an arbitration agreement has the authority to legally bind individuals who did not personally sign the agreement. The Court observed, "The 'group of companies' doctrine must be retained in the Indian arbitration jurisprudence considering its utility in determining the intention of the parties in the context of complex transactions involving multiple parties and multiple agreements,". The Supreme Court made it clear that the idea of "alter ego" or "piercing the corporate veil" could not serve as the foundation for the application of the "group of companies" theory in arbitration law jurisprudence, even as it approved the doctrine.
2. In the case of **Haldiram Incorporation Pvt. Ltd. Vs. Amrit Hatcheries Pvt. Ltd.**, the Supreme Court decisively ruled that properties sold in an auction prior to the declaration of a moratorium under the Insolvency and Bankruptcy Code 2016 (IBC) cannot be considered as liquidation assets of the Corporate Debtor. The Court emphasized that the handing over of the sale certificate under the SARFAESI Act completes the auction process, and such properties sold before the IBC moratorium cannot be included in the corporate debtor's liquidation estate. This landmark judgment establishes clarity on the legal status of auction sales preceding IBC moratoriums, highlighting the importance of harmonizing provisions between the SARFAESI Act and the IBC. The ruling safeguards the interests of secured creditors and sets a crucial precedent in delineating the boundaries between the two Acts.
3. In **Aarti Shailesh Shah vs. Dr. Satish Vasant Dharukkar and Another.** driven by the precedent created by *Aparna A. Shah vs. M/S. Sheth Developers Pvt. Ltd.*, the Bombay High Court rejected and set aside the summons and process served on a lady in a cheque bounce case, pointing out that the only signatory on the cheque was her husband. The joint account of the couple was used to write the cheque. The Supreme Court concluded in *Aparna A. Shah*, among other things, that a joint account holder cannot be prosecuted under Section 138 of the N.I. Act if a cheque is issued from a joint account unless all joint account holders have signed the cheque.

4. The Supreme Court's ruling in the **Shakti Yezdani & Anr vs Jayanand Jayant Salgaonkar & Ors** underscores that the nomination process in the Companies Act, 1956, does not confer absolute ownership upon nominees. The court clarified that nominees act as temporary holders, facilitating a smoother transition in the event of the shareholder's death, without overriding the laws of succession. Emphasizing that the nomination process serves administrative convenience rather than creating a new mode of succession, the judgment prioritizes clarity in legal formalities while awaiting the legal heirs' establishment of their right to succession. This decision aims to prevent confusion and complexities in the estate planning and succession process, aligning with established legal principles.
5. In **Interplay between Arbitration Agreements under The Arbitration Act and Conciliation Act 1996 and the Indian Stamp Act, 1899 (Curative Petition (C) No. 44 of 2023)**, the Supreme Court overruled the judgment rendered in *M/s N.N. Global Mercantile Pvt. Ltd v M/s Indo Unique Flame Ltd. and Ors.* The seven judge bench has ruled that arbitration clause in unstamped or inadequately stamped agreements are enforceable. The court opined that insufficiency of stamping does not make the agreement void or unenforceable but makes it inadmissible in evidence, which is a curable defect as per the Indian Stamp Act.
6. In the **Serum Institute of India (P.) Ltd. v. Union of India** case, the Bombay High Court upheld the validity of the 2015 amendment to the Income Tax Act, emphasizing the necessity of aligning tax laws with economic realities for the nation's fiscal infrastructure. The court stressed that taxation on subsidies and concessions doesn't amount to depriving benefits but signifies a recalibration of fiscal advantages. It cautioned against inconsistent tax standards based on individual demands for exemptions, asserting that such demands could lead to an inconsistent and manipulable tax system. The judgment highlighted that taxation is an economic reality, and the mere fact that it may impact certain entities more heavily does not render it invalid, emphasizing the balance between incentivizing economic activity and ensuring equitable distribution of fiscal resources.

Compliance Checklist

COMPLIANCE CALENDAR FOR JANUARY 2024

Sun	Mon	Tue	Wed	Thu	Fri	Sat
	1	2	3	4	5	6
7	8	9	10	11	12	13
14	15	16	17	18	19	20
21	22	23	24	25	26	27
28	29	30	31			

Income Tax Related Compliance

	<p>Due date for deposit of Tax deducted/collected for the month of December 2023. However, all sum deducted/collected by an office of the government shall be paid to the credit of the Central Government on the same day where tax is paid without production of an Income-tax Challan.</p> <p>Due date for deposit of TDS for the period October 2023 to December 2023 (3rd Quarter) when Assessing Officer has permitted quarterly deposit of TDS under section 192, 194A, 194D or 194H</p>
	Due date for issue of TDS Certificate for tax deducted under section 194-IA, 194-IB, 194M, and 194S in the month of November, 2023
	<p>Quarterly statement of TCS for the quarter ending December 31, 2023</p> <p>Due date for furnishing of Form 15G/15H declarations received during the quarter ending December, 2023</p>
	<p>Quarterly TCS certificate in respect of quarter ending December 31, 2023</p> <p>Due date for furnishing of challan-cum-statement in respect of tax deducted under section 194-IA, 194-IB and 194M in the month of December, 2023</p>
	<p>Quarterly statement of TDS for the quarter ending December 31, 2023</p> <p>Quarterly return of non-deduction at source by a banking company from interest on time deposit in respect of the quarter ending December 31, 2023</p>

GST Related Compliance

	GSTR 1 for December-23 (Monthly)
	GSTR 3B for December-23 (Monthly)
	GSTR-1 for 3 rd Quarter (Oct-23 to Dec-23) (QRMP)

Compliance under Prevention of Sexual Harassment at Workplace Act, 2013

	Due Date for Annual filing of POSH Return
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FEMA Related Compliances	
	Reporting of actual transactions of External Commercial Borrowings (ECB) through AD Bank under FEMA
RBI Related Compliances	
	Monthly return (NBS-6) on exposure to capital market
	Monthly statement of short-term dynamic liquidity in Form ALM-I
Economic, Industrial & Labour Law Related Compliance	
	Monthly payment of PF (Non-Corporate) File Monthly Return (Form No.5) for employees leaving / joining during the Previous Month File monthly return of employees entitled for membership of Insurance Fund (Form No.2(IF)) File monthly Return for members of Insurance Fund leaving service during the previous month (Form No.3(IF)) File monthly return of members joining service during the previous month (Form No.F4(PS))

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