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NEWSLETTER

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CENTRE FOR RESEARCH IN CORPORATE LAW AND GOVERNANCE

About CRCLG

Taking the legacy of standing distinct in the field of academic excellence in legal education, Army Institute of Law, Mohali, launched the Centre for Research in Corporate Law and Governance (CRCLG) in 2018 to provide to its scholars, a deep insight into the contours of corporate conundrums.

CRCLG, as a multi-faceted functional body, looks forward to conduct workshops, panel discussions, seminars, conferences, and guest lectures by the leading and eminent scholars from the legal field.

It effectively deals with the discipline, balances and imbalances of corporate law exhaustively to provide to the readers a holistic understanding of the subject and matters connected and incidental thereto. It shall work promptly to promote and provide:

• comprehensive research; preparing the students with analytical skills to critically evaluate legal provisions of corporate law & governance.

• in-depth study of corporate law and governance interwoven with its economic, business and legal context with particular regard to how corporate law and governance mechanisms facilitate or inhibit economic activity.

• to provide a new way of thinking about the growing challenges in corporate law and how to respond to them.

Dealing with the traditional issues and the contemporary ones, the newsletter shall give the reader an opportunity to fathom into the corporate world.

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RBI DIGITAL LENDING GUIDELINES: AN ANALYSIS

Ankit Kumar (1927)

Digital lenders in the country registered a sharp growth of 149 percent in the second quarter of this year, according to a report by the Fintech association for consumer empowerment (FACE) [i]owing to the RBI's Digital Lending guidelines which created trust and confidence among customers. These guidelines are in conformity with the RBI's interest in ensuring the protection of depositors' and customer's interests while promoting more innovative products and credit delivery methods.

In the last couple of years, the digital lending segment grew exponentially, and since there was no regulation, RBI has been skeptical about its future. If left unregulated, this may not only erode the confidence of the public but there were also possibilities of mis-spelling, data privacy breaches, unfair business practices, unethical recovery practices, etc.

Hence, RBI formed a Working Group on Digital Lending (WGDL). According to its report[i], 600 out of 1100 lending apps are illegal or fake. Also, it was found that digital lending apps are 300 times more likely to be targeted by cyberattacks. Further, some of these agents may charge high-interest rates and adopt unethical recovery methods.

According to WGDL, in digital lending, there exist layers between the borrower and the balance sheet which leads to non-transparent and unethical loan practices. In addition, the regulated entities are sometimes unaware of additional fees levied by their parties.

Hence, RBI came up with the Digital Lending guidelines to bring unregulated digital lending players within RBI's ambit. This is on the principle[i] that lending business can be carried out only by entities that are either regulated by RBI or entities permitted under any other law.

GUIDELINES ON DIGITAL LENDING

The guidelines are divided into 3 main categories:

A. Customer Protection and Conduct requirements
B. Technology and Data Requirements
C. The regulatory framework

Customer protection and conduct requirements

Accordingly, Regulated entities (RE) must ensure that all loans are executed by the borrower directly in the RE's bank account without any pass-through accounts from third parties.

It was stipulated that any penalties or charges shall be disclosed to the borrower in the Key Fact Statement along with details of the Annual Percentage Rate (APR), recovery mechanism, grievance redressal officer, and cooling off/look up period before execution of the contract.

Also, a proper grievance redressal mechanism has been established and REs are required to conduct due diligence with regard to lending service providers (LSP), taking into consideration their data privacy policies and fairness of conduct.

Technology and Data Requirements

The borrowers are given full control over their data since REs need borrowers' explicit consent before collecting data or sharing data with third parties. Also, REs are required to ensure that no LSPs engaged by them store any personal information of borrowers except minimal data that may be required to carry out their operations. Further, REs and LSPs must ensure that their comprehensive privacy policies are publicly available.

Regulatory Framework

The REs shall ensure that any lending through digital platforms or any extension of digital lending products must be reported to Credit Information Companies (CIC) irrespective of the type or tenor of loans.

For any contractual agreement such as a First loss Default Guarantee (FLDG) involving a third party compensating a certain part of default in a loan portfolio, RE's are required to comply with the securitization guidelines, especially with synthetic securitization (a structure where credit risk of an underlying pool of exposures is transferred, in whole or in part, through the use of credit derivatives or credit guarantees that serve to hedge the credit risk of the portfolio which remains on the balance sheet of lender.)

ANALYSIS

Due to the implementation of these guidelines, the FLDG model is not expected to last long because the restrictions on FLDG may prevent new-to-credit borrowers from obtaining credit. The FLDG system allowed banks and REs to lend to underserved customers. But now, the payment aggregator would have to decide for credit-worthy borrowers and would have to face losses in case of any discrepancies in repayment of the loan. The guidelines restricting FLDG would cause a major setback for bank-fintech partnerships and also would have an adverse effect on the fintech industry.

The guideline that states that loan amounts should be transferred directly to the customer from RE without the involvement of a third party and that loans should be repaid directly to REs would create a lot of operational complexity for both the lender and the fintech platform in managing the disbursement and repayment of fund flows.

CONCLUSION

The RBI has taken a substantial step toward the regulation of digital lending platforms by introducing these Digital Lending Guidelines. The WGDL reports clearly indicate the need for regulation of Digital Lending to prevent customers from any scams, data breaches, or unethical practices. Using these measures, customers would be able to trust digital lending platforms, aiding the overall growth of the economy.

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EMERGENCE OF CORPORATE GOVERNANCE IN INDIA

Rachna (2119) and Manmohan Tiwari (2150)

Introduction

The modern corporation is a social and economic institution that touches every aspect of our lives; from birth to death. In many ways, it is an institutionalized expression of our way of life. During the past 50 years industry in corporate form has moved from the border to the very center of our social and economic existence. It is not inaccurate to say that we live in a corporate society. Corporate today provides essential services to live our life with dignity. Corporate law is basically to control the formations and activities of corporations while corporate governance is to regulate and maintain the corporations in an ethical manner.

This change of corporate governance was brought into the picture due to the lack of responsibility not only towards the lack of shareholders but also towards the society at large. Several aspects of corporate governance such as non-financial reporting and stakeholder engagement are important for human welfare and for protection of their rights. Corporate governance focuses on how a corporation is operated including many things like policies and procedures for decision making and also how corporation is held accountable to their shareholders.

Emergence Of Corporate Governance in India

India from ancient times has been economic superpower in world. India has produced many great economists such as chanakya and Thirivullar who have contributed in development good governance in India. Kautilya or chanakya in his book Arthashashtra has told about corporate governance that is Raksha, Vriddhi, Palana and Yogakshema. Substituting ruler with CEO of a company corporate governance refers to protecting shareholder wealth (Raksha) using resources in most profitable manner (Vriddhi), maintenance of wealth through profitable ventures (Palana) and protecting interest of shareholder (yogakshema). During the British Raj East India Company drained whole wealth of India and left India in poverty. It was after independence India adopted a mixed economic system which was neither socialist nor capitalist but amalgamation of both.

India on the recommendations of Bhabha Committee and legislated companies act, 1956 which makes companies capable to be formed by registration and fix responsibilities of companies their directors and secretaries. While these were initial steps in corporate governance the real emergence of corporate governance happened in 1990s after the introduction of liberalization, privatization and globalization. Factors which played role for need of corporate governance were Harshad Mehta Scam and Sathyam Scam.

In 1998 Confederation Of Indian Industries (CII) released a code called “desirable corporate governance” which looked into different areas of corporate governance and has suggested many reforms such as cutting down government stakes in companies. The second major change was establishment of Kumar Manglam Birla Committee done by Securities and Exchange Board of India (SEBI) which suggested incorporation of clause-49 of Listing Agreement of the Stock Exchange and later in 2002 SEBI set up Narayana Murthi Committee to check implementation of corporate governance and reviewed clause 49.

Issues which have affected Corporate Governance

India has one of the best corporate governance but has the poor implementation. A Corporate governance problem arises when an outside investor tries to control the firm differently from the manager. Dispersed ownership gives rise to conflicts of interest between various claimholders and also by creating a action problem among investors. Many issues are being faced by the corporate governance like missing independence of directors, removal of independent directors, business structure and internal conflicts etc.

The role of independent director in upholding the integrity of a board cannot be overstated but due to the obligation towards board member who have recruited them, they are often unable to perform their duties. In recent years, many frauds, scams and corrupt practices like Harshad Mehta Scam has taken place and due to which business environment has become distressful.

Suggestions for better corporate governance

1. Ensuring efficiency, fairness and transparency of markets – It should not unnecessarily support one market over another market and there should be transparency.

2. Protection of the interest of shareholder- There should be strong provisions for protecting the interest of shareholders because they are the running wheels of corporate governance hence it is necessary to protect them from fraud or any kind of mala fide practices.

3. It should be ensured that there is proper execution of rules for better corporate governance. Self-regulatory organizations can play important role in this.

Conclusion

Corporate Governance is essential for the proper functioning of corporation and economic growth. The essence of corporate governance is in promoting the integrity, sanctity, transparency and accountability in management of company. For the better assessment of corporate governance, we need more transparent and effective laws with better enforcement as the effectiveness of corporate governance laws depends on its enforceability.

These laws or policies should be implemented by the adoption of ethical code of business conduct. Good governance practices should be maintained and operated in a manner to ensure investors' confidence for greater investment. Corporate governance strategies impact the growth and reputation of the company.

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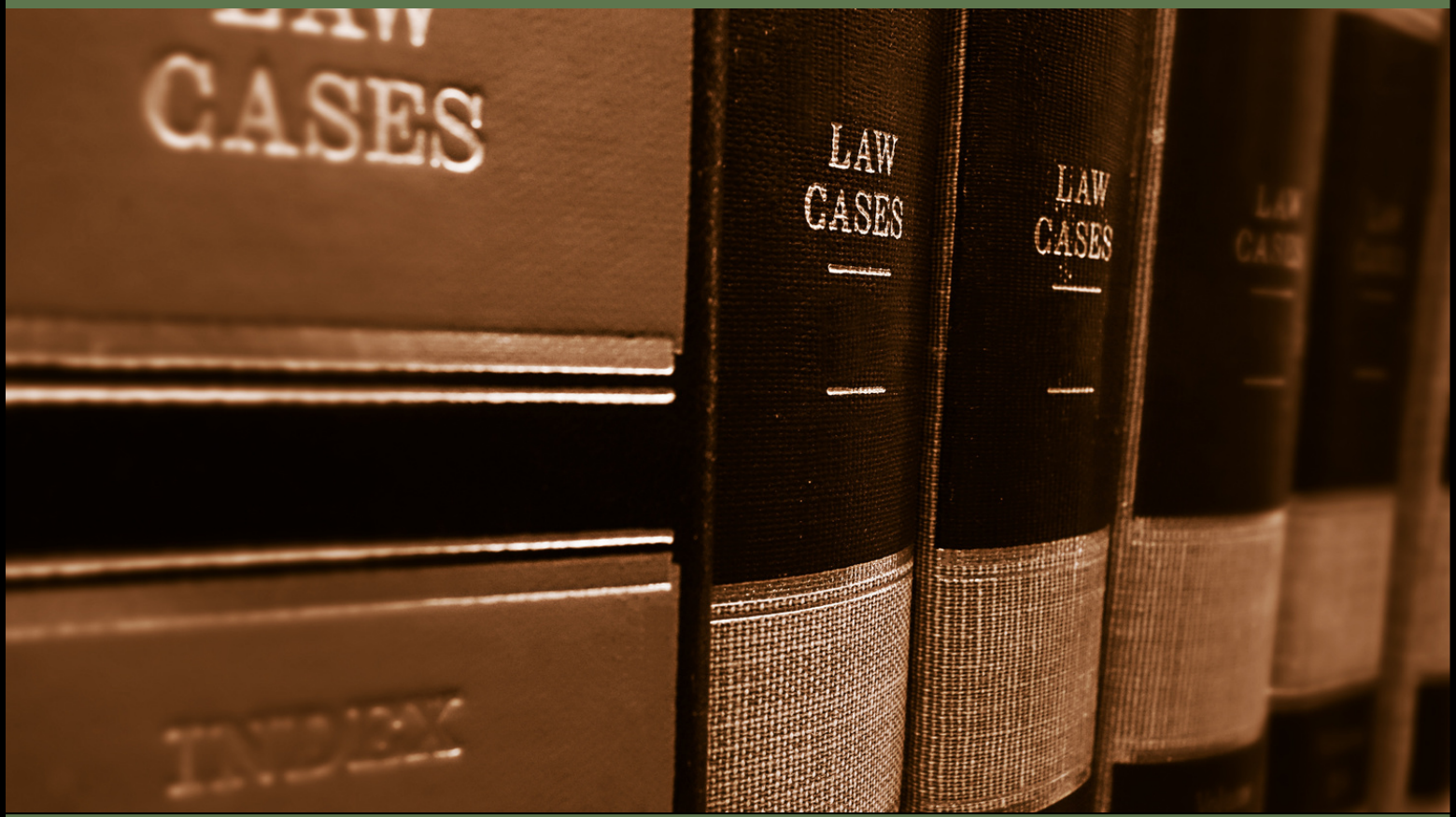

MOONLIGHTING AND LAW

Amal A.S (1902)

Introduction

For the last couple of months, 'moonlighting' has become the buzzword in the corporate sector after high officials of many IT companies spoke against the practice of moonlighting, while some companies even indulged in mass termination of its employees for practicing moonlighting. On the other hand, some companies introduced formal policy on moonlighting so as to allow their employees to reap the benefit of alternate employment.

Moonlighting is the colloquial term used for defining situations wherein an employee engages in a second employment in addition to their primary employment, usually without the knowledge of the primary employer. Dissatisfaction in primary job, low wages, consumption pressures and aspirations are some factors that drive employees to a secondary employment. They also view moonlighting as an exercise of one's freedom of choice to increase the marketability of their skills based on the availability of one's time.

On the contrary, the practice of moonlighting raises many concerns as well. Confidentiality concerns, possibility of leak of trade secrets, conflict of interest, productivity concerns are some issues that employers highlight to justify prohibition or regulation of moonlighting. Some also find moonlighting grossly unethical and while others equate them with cheating.

Thus these causes and concerns surrounding moonlighting raises questions regarding the legal positioning of the practice of moonlighting.

Legality of Moonlighting

There is no definition of the term 'moonlighting' under the Indian laws, however there are some statutory provisions which regulate dual or double employment. Besides, the Indian courts have on numerous occasions recognised the legitimacy of restrictive and negative clauses in employment contracts to safeguard business interests of the employer.

Statutory Provisions

Factories Act, 1948

Section 60 of the Factories Act, 1948states that no adult worker shall be permitted or required to work in any factory if he is already working in any other factory. This provision is a restriction on the double employment of an adult worker within the meaning of this Act.

Industrial Employment (Standing Orders) Act, 1946 {Standing Orders Act}

Clause 8 of Schedule I-B of the Central rules made under the Standing Orders Act states that a workman shall not at any time work against the interests of the industrial establishment he is employed in and shall not take up any job in addition to his job in the industrial establishment.

Industrial Relations Code, 2020

To give effect to Industrial Relation Code, 2020 whenever notified, the Ministry of Labour and Employment has published a draft Model Standing for Service Sector, 2020 which contains provisions relating to exclusive service wherein employees are prohibited from taking up additional employment which might harm the interests of the employer. However, with prior permission of the employer a second job can be taken up by the employee.

Contractual Obligations Restricting Moonlighting

Section 27 of the Indian Contracts Act, 1872lays down prohibition with regard to inclusion of non-compete clause in employment agreements. According to the section, an employee cannot open a business in competition to the employer or accept an offer from a competitor. It, thereby, prevents the employee from competing against the employer or leak confidential data either during or after the period of employment.

The Supreme Court and the various High Courts have extensively dealt with the issue of double employment. Some of the notable cases are as below:

In the case of Niranjan Shanker Golikari v. Century Spinning and Manufacturing Company Limited, the Supreme Court dealt with issue of exclusive service clauses in the employment contracts and held that "negative covenants operative during the period of the contract of employment when the employee is bound to serve his employer exclusively are generally not regarded as a restraint of trade and therefore do not fall under Section 27 of the Contract Act."

The Bombay High Court in the case of V. M. Deshpande v. Arvind Mills held that "an agreement to serve exclusively for a week, a day, or even for an hour necessarily prevents the person so agreeing to serve, from working during that period for anyone other than the person with whom he has so agreed. It can hardly be contended that such an agreement is void."

In Gulbar v. Presiding Officer, a case before the Punjab and Haryana High Court, the court upheld the termination of a driver for engaging in dual employment.

In Wipro Limited v. Beckman Coulter International SA, the Delhi High Court held that "negative covenants tied up with positive covenants during the subsistence of a contract be it of employment, partnership, commerce, agency or the like, would not normally be regarded as being in restraint of trade, business of profession unless the same are unconscionable or wholly one-sided"

The Madras High Court in Government of Tamil Nadu v. Tamil Race Course General Employees Union observed that an employee can get into double employment with the prior consent of the employer.

Conclusion

Even though the term 'moonlighting' is not defined under the Indian laws, statutory provisions relating to double employment in labour law jurisprudence and judicial precedents gives enough guidance as to the legal positioning of moonlighting. On the one hand, moonlighting is recognised as a conflict-of-interest issue and a blatant breach of covenants relating to exclusive service, non-compete and non-solicitation restriction[i] and on the other hand dual employment is allowed provided there is consent of the primary employer and there exists a facilitating company policy in place.

The recent trend of mass termination of employees by reputed companies on the ground of moonlighting is disturbing. Given the socioeconomic conditions prevalent in country post-pandemic and as a recognition of the freedom of choice of the employees, companies should frame moonlighting facilitation policies keeping in mind the protection of their business interests.

In this post-pandemic times, there is a general push towards a flexible and dynamic workplace and it will be interesting to see where the industry lands on this practice of moonlighting.

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Settlement & Commitment Mechanism under the Competition (Amendment) Bill, 2022: A Step towards Speedier and Participative Market Correction

Khushi Singh (1901)

The Competition (Amendment) Bill, 2022 ('Bill'), which has been tabled before the Indian Parliament on 5th August 2022, comes as a reprise for both the regulator and enterprises. The Bill was introduced after reviewing the recommendations proposed by the Competition Law Review Committee which noted in its report that there have been changes in the way businesses operate with the emergence of digital internet-based companies and new-age markets involving technology, and consequently, certain market practices are not properly covered by the current regulatory framework.

The Bill, therefore, proposes both substantive and procedural amendments in order to reform the Indian Competition Law to be better able to tackle issues of the new age market which is ever-evolving in nature. It provides, inter alia, the introduction of the Settlement and Commitment framework to reduce litigations.

It is a mechanism whereby the entity under probe can avoid litigation or admission of guilt by either committing to correct behavior and not indulging in the anti-competitive practice under investigation or settle with the regulator after the investigation by payment of settlement charges. This scheme of circumventing lengthy and tedious litigation has been already in place in foreign competition regimes, such as the United States, United Kingdom, European Union and Japan. Not just internationally, this mechanism also has been in place in India for a different regulator—SEBI.

These tools of settlement and commitments can prove to be beneficial in India by securing a higher ranking on'ease of doing business'and dispensing with resource-intensive investigation processes for both the enterprises and the regulator.

The mechanism is expected to solve several enforcement challenges that the Competition Commission of India ('CCI') faces, including low realisation of penalties, pendency at the appellate stage (NCLAT and Supreme Court), and bearing heavy regulatory costs which put a significant burden on the existing resources of the CCI and their investigative wing—Director General ('DG') Office. The Settlement and Commitment mechanism, by tackling these challenges, will result in efficiency and quicker market corrections.

Commitments and settlement can be made only at certain different stages of investigation. Commitments can be offered after the initiation and before the conclusion of an investigation by the office of the DG under section 26(1) of the Competition Act, 2002 ('the Act'). On the other hand, settlements can be offered after the completion of the investigation by the DG but before a final order has been passed by the CCI.

Under the proposed regime, it is the CCI which will be empowered to terminate proceedings upon the payment of a monetary amount or other terms, based on the nature, gravity, and impact of the contravention (and effectiveness of the proposed commitments in case of commitments). Further, the Commission's decision regarding commitments or settlement will be final after hearing all stakeholders in the case and not appealable.

Incorrect disclosures and non-compliance will not be without consequences. Under the amendment, if a party fails to comply with the CCI's commitments/settlement order, or if the party did not make full and complete disclosure, or if there is a material change in the facts, then the CCI can revoke its commitments/settlement order and inquiry will be initiated or restored. Such enterprise shall also be liable to pay legal costs incurred by the Commission which may extend to rupees one crore.

The Bill introduces this mechanism of settlement and commitments only for anti-competitive vertical agreements under section 3(4) and abuse of dominance cases under section 4 of the Act. The framework will not be applicable for cases of cartelisation under section 3(3) for which the mechanism of leniency already exists under the Act.

While the Settlement & Commitments mechanism is a welcome step for both the regulator and the enterprises, the Bill leaves uncertainty regarding the modalities for applicability and operation of this regime. As per the Bill, these gaps will be filled by the regulations later.

The language of the provisions in the Bill makes the position on admission of guilt unclear. the settlement provisions use the phrase 'contravention', while the provisions on commitment use instead of the phrase 'alleged contravention'. Further, given that after the conclusion of DG's investigation, there would already be evidence on record, there is a possibility that settlement might involve an admission of guilt, while commitments would not.

Regardless, in line with commitment mechanisms implemented by other agencies, the bill should clarify that commitments will not entail a finding of guilt because avoiding sanctions is the driving force for enterprises to enter commitment proposals.

While the amendment provides that the decision of the CCI to terminate proceedings under the Settlement and Commitments regime will broadly depend on the nature, gravity, and impact of the contravention, clear guidelines on these factors are required for enterprises to undertake a cost-benefit analysis of making commitments/settlement.

Additionally, the regulations will also have to clear position on the retrospective applicability of this mechanism.

Nonetheless, while the bolts and nuts are still to be secured, the amendment lays down the broader concept of a mechanism that can change competition law jurisprudence in India to not only make market corrections more efficient but also make the entire process more convenient and participative for the enterprises.

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AN OVERVIEW OF THE CORPORATE TRANSPARENCY ACT, 2021 (USA)

HANUMAN BISHNOI(2031)

The U.S. is one of the most developed countries in the world, with many companies and industries. The state did not require earlier these companies to disclose their actual owners. The state ran without any legislation on the same for many decades. As a result, many people misused this loophole, got involved in money laundering through shell companies and other illegitimate activities, and exploited U.S. laws. Till now, the obligation to identify the real owners rested upon financial institutions like banks, but this new act has shifted that responsibility to the reporting companies for disclosure of their actual owners with stringent fines for those not complying.

In the recent past, there have been many attempts by the government to bring laws on this issue, but they were not that effective. The U.S. was also criticized by the FATF in June 2006 for its failure to collect information about the "beneficial owners". The first step against this criticism was enacting the "Incorporation Transparency and Law Enforcement Assistance Act". This act asked the corporations to disclose their beneficial owners. Apart from this, the various acts brought up by the government to tackle this problem include "The Closing Loopholes Against Money-Laundering Practices ("CLAMP") Act, 2016", "The Counter Terrorism and Illicit Finance Act", "The True Incorporation Transparency for Law Enforcement ("TITLE") Act, 2017", and "The Corporate Transparency Act, 2017".

The Corporate Transparency Act 2021 is included in the Anti-Money Laundering Act of 2020. It requires the reporting companies to file with the Financial Crimes Enforcement Network ("FinCEN") information about their "beneficial owners". The information provided by these companies is subjected to certain restrictions. It will not be made public except to certain authorities like U.S. federal law enforcement agencies, to financial institutions with the prior consent of companies and other agencies either on previous approval of the court or upon a request by U.S. federal law enforcement agency.

The act includes all corporations (including limited liability companies) and other entities created under U.S. state filing or any foreign law and registered to do business in the USA. Reporting companies must file the information of both "beneficial owners" and the "company applicants" to FinCEN.

All those persons who hold at least 25% of the company's equity or have substantial control over the companies' affairs directly or indirectly are included in the term "beneficial owners".

However, this act does not apply to banks, bank holding companies, government entities, entities with publicly traded securities, tax-exempt political organizations or trusts, and companies having a physical office in the U.S. with at least 20 US-based full-time employees along with the requirement that their sales should have crossed the $5 million mark on prior year Federal income tax returns.

Reporting companies before January 2024 have a 1-year timeline to file their information, whereas companies formed after January 2024 will have only 30 days. In case of any change in the information reported, the same has to be updated by filing an update report within 30 days of such change.

The act draws major criticism from corporate lawyers. The term "applicant" is defined under the act as any person who applies to register any domestic or foreign company in the USA to do business. This definition has a crucial impact on corporate lawyers as they are the ones who are legally involved in doing such registration and other important transactions of the company. American Bar Association has consistently opposed such moves, which may affect the attorney-client privilege and thus will be against the profession's ethics.

The act imposes a costly and unworkable burden on legitimate businesses and legal agencies to comply with the act's requirements. It will increase the heavy burden on both. The data breach is another primary concern when sharing it with agencies required by the government.

Another argument by the Bar Association is that the IRS and the banks have already been tasked with collecting the information asked under the CTI act. Thus it will increase the unnecessary and duplicative burden.

CONCLUSION

The act is an essential step towards developing a solid law institution to prevent the misuse of the country's law system for personal gains through unlawful acts. It has imposed a liability on the institutions and the company applicants to provide the required information. Any failure to comply or wrong information will attract stringent fines, including fines up to $10,000 and imprisonment of up to 2 years.[11] The act's primary purpose is to prevent money laundering, the prevention and punishment of terrorism, and other similar actions. Although the act has drawn criticism from the American Bar Association on some of the clauses, the government must implement rules which are crucial for the transparency between the government and these companies and businesses.

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GOVERNANCE OF THE INSURANCE SECTOR – CHALLENGES AND WAYS TO PROSPER

Gaurang Takkar (2178)

"You don't buy Life Insurance because you are going to die, but because those you love are going to live"

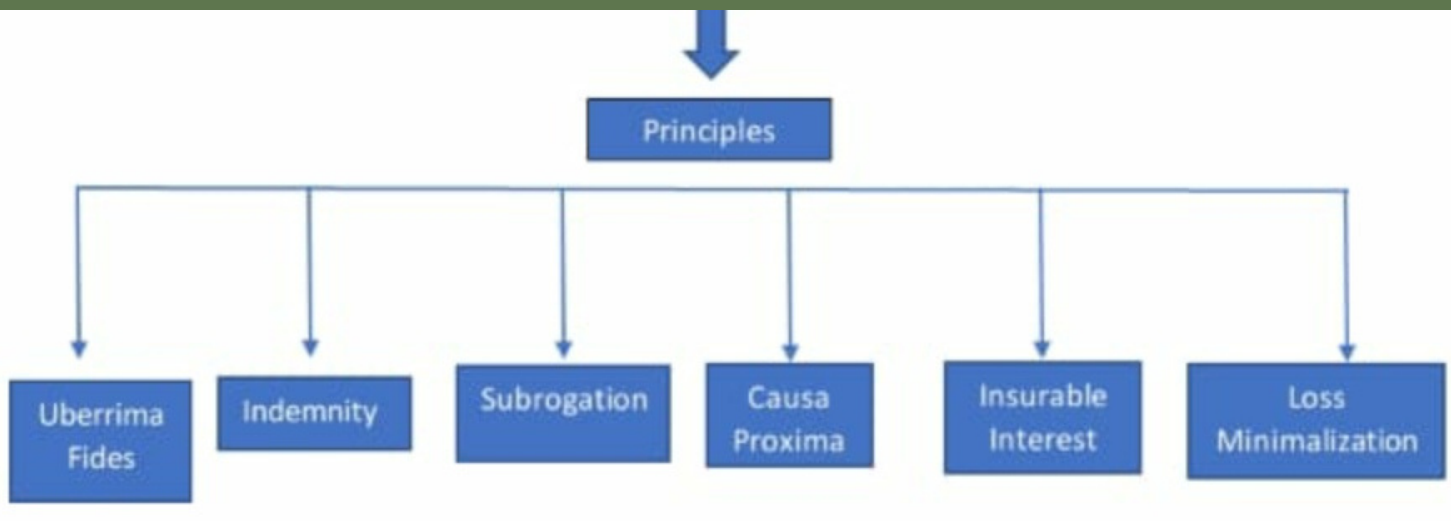
Introduction

Insurance is a means of protection from financial loss. It is a form of risk management that immunes an individual against any uncertain loss. It is not a new concept in the world and on the other hand, is as old as human existence. In ancient times, there were friendly societies organized for purpose of extending aid to their unfortunate members from funds made up of contributions from all. The studies show that insurance as a concept was well known to Romans, and Rhodians although it was not highly developed. Let us discuss a little about Indian Insurance history.

Timeline

The Earliest traces of insurance in Indian History was in form of Trade loans in the marine sector or carriers' contract which can be found in Kautilya's Arthashastra, Manu Smriti's, etc. In the 19th Century, Insurance without regulations started in India during the British period but it was discriminatory in nature and somewhat unaffordable too. Bombay mutual life insurance society indicated the birth of 1st life insurance in India in the 1870s and was pocket friendly. In 1912, ILife Insurance Companies Act and the Provident Fund Act were passed to regulate the insurance businesses which were later nationalized in 1956 and thus LIC (Life Insurance Corporation) came into existence. Talking about the present scenario, the principal legislation regulating the insurance sector in India is the Insurance act of 1938. Some others include the LIC Act, of 1956, the Marine Insurance Act, of 1963, and the Insurance Regulatory and Development Authority Act, of 1999 (IRDA), etc.

The Indian Contract Act, of 1872 and the Companies Act, of 2013 are also applicable to the Insurance Industry. After the LPG reforms of 1991, the Insurance sector was introduced with many changes as the economy became liberative and free from governmental control although not completely. But this also meant many new challenges as this would have resulted in huge competition.To prevent misuse by insurers of shareholders' and policyholders' funds and to ensure accountability, it was imperative to have in place an effective regulatory regime. Insurers being repositories of public trust, efficient regulation of their business became necessary to ensure that they remained worthy custodians of their trust.Insurance works on some essential principles.



Challenges facing this sector

Any law which comes into existence has its challenges which are very important to be discussed and looked upon. There is a huge insurance gap in India and this leads to low insurance density in comparison with Global Levels which indicates the huge uninsured population. The Insurance sector has transitioned from being a state monopoly to a competitive market but public-sector insurers hold a greater share of the insurance market. Life insurance dominates the market and another general (Non-life) insurance is neglected.

The rural-urban divide is also a mounting challenge in the insurance industry. Usually,life insurers get attracted toan Urban class of people because they can afford the insurance. The insurance sector in India is Capital starved as it lacks sufficient capital for its smooth perusal. Investment in this sector was not sufficient and it got dwindled further due to crises in Banks and NBFCs (Non-Banking Financial Companies).

Opportunities to Flourish

Other than Challenges, Insurance laws have some enhancement opportunities as well which if availed in a judicious way can work wonders and help the country overcome the challenges. The Insurance sector has already been liberalized for domestic and foreign companies and has also seen the arrival of many Global players.

The platform is also open for Professionals willing to serve the industry. The industry needs people which expertise and technical brilliance which is possessed by Chartered Accountants (CA). Some problems in the sector can be solved by a dedicated study of the problems and their origin. To increase penetration rates and density, the Uninsured public of majorly rural areas needs to be brought under the ambit of insurance coverage.

Long-term commitment needs to be shown to rural people to firm their confidence in the industry. Distribution mechanisms need to be thought of and managed more efficiently. Insurance needs to be made pocket friendly and should be formulated for all classes of people. Easement of the application procedure for the same and help a lot towards this. A simultaneous and complementary thrust should be given toward spreading awareness and improvement of Financial literacy.

The government has taken some steps towards it like unfolding schemes such as PM Jan Arogya Yojana, Jeevan Jyoti Yojana, etc. to lower the premium rates for insurance which eventually attract more people towards this sector. The application of Technology in this sector can help in the expansion of this sector by leaps and bounds.

Conclusion

The Implementation of these suggestions is a long way and it's not going to be easy for the country. Although it's quite early to predict results, yet if these challenges are looked upon sincerely and ways are formulated judiciously, it can truly change the shape of the insurance sector of the country and can make India an educational hub. These Pandemic times are challenging but should not be a hindrance in the effective developmental enhancement because:

"The path to success is to take massive, determined action." - Tony Robbins

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EVENTS BY CRCLG

Centre for Research on Corporate Law and Governance (CRCLG) at AIL Mohali, organised a talk on Sept.6th, 2022, where Prof. (Dr.) S.G. Sreejith, Professor And Executive Dean, Jindal Global Law School, shared his views on the topic Cognitive Justice and Law. Prof. Sreejith, referred to several jurist and thinkers to bring out his point of recognition of alternative paradigms and how different forms of knowledge co-exist.

Advocate Anil Malhotra- IAFL Fellow & Legal Analyst spoke on the topic- The Orbits Of Law and motivated the students to explore new avenues in the legal field and also to venture into International Law. Prof. Anand Prakash Mishra, Director Law Admissions and Associate Professor of Legal Practice & Associate Dean (Admissions), Jindal Global Law School, also shared his views on Legal Education Reforms

MEET THE TEAM

CHIEF ADVISOR

DR. TEJINDER KAUR
PRINCIPAL, AIL

FACULTY COORDINATOR

DR. PUJA JAISWAL
ASST. PROFESSOR OF LAW

DR. ANMOLPREET KAUR
ASST. PROFESSOR OF LAW

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