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यथा ह्येकेन चक्रेण न रथस्य गतिर्भवेत्।
एवं परुषकारेण विना दैवं न सिद्ध्यति॥

“Continuous improvement is better than delayed perfection.” — Mark Twain

Dear Students,

Hope you all have celebrated the festival of colours, Holi with utmost exuberance. The month of April marks the commemoration of Ram Navami and to attain excellence in life it is imperative that one must espouse the attributes of Lord Ram, i.e., Dharma and Righteousness, Unwavering Devotion, Humility and Leadership, Patience in Adversity, Self-Control and Temperance, Fidelity to Promises, Compassion and Forgiveness and Courage in Facing Evil.

In the academic journey of becoming a Company Secretary that commence with Company Secretary Executive Entrance Test (CSEET) and culminates after completion of Professional Programme along with training will impart wisdom on various dimensions of ethics and governance. The key elements of good governance and perils of their non-adherence through infringement of various pertinent laws, regulations, management approaches etc. have been encompassed under various subjects.

The purpose is to develop a futuristic and holistic learning approach so that once a student become a full-fledged professional, he/she doesn't shy away from his/her professional obligations and deliver optimum results. Going by the meaning of the above mentioned sloka that is *“Just like a Chariot cannot Move with one Wheel, We cannot attain our Destiny without Hardwork or Effort”*, similarly without putting sincere endeavours one cannot attain excellence in academic and professional endeavours.

So in a nutshell, keep learning and keep building the edifice of wisdom.

Regards,

(CS B. Narasimhan)

President

The Institute of Company Secretaries of India

Faults in Email Communication*

1. *Using the wrong tone*

When crafting emails, it's crucial to consider the tone to ensure they don't come across as cold or impersonal. To avoid this common email mistake, pay close attention to the language you use and the way you address the recipient, especially when contacting them for the first time. It's important to maintain a professional and polite tone, avoiding slang or overly informal language that may not convey the desired level of professionalism.

Additionally, always remember to proofread your email before sending it to ensure it is polished and error-free. By taking these extra steps, you can make a significant difference in how your message is received and perceived.

2. *Putting little thought into the subject line*

Having a strong subject line is essential for achieving high email engagement. With workers receiving an overwhelming number of emails every day, a weak subject line can easily go unnoticed.

To avoid this common email marketing mistake, make your subject line concise and informative, accurately reflecting the content of the email. Avoid using generic subject lines like "Introduction" or "Greetings" as they lack specificity and fail to capture attention. Instead, use incentivized language to capture attention:

- We connected at [Event] last night
- Introduction for [Person 1] and [Person 2]
- An email like no other today
- Can you help us out?

3. *Not addressing the recipient by name*

When crafting emails, steer clear of generic salutations like "Dear Sir/Madam" or "To Whom It May Concern." Instead, personalize your greeting by using the recipient's name. This small touch can significantly enhance engagement and build a stronger connection. Maintaining a friendly yet professional tone elevates your communication quality.

If you don't know the person's name, find out what it is. This shows them you value their time and want to establish a personal connection. Addressing the recipient by their name demonstrates attentiveness and respect, setting the stage for engaging communication.

* *Dr. Akinchan Buddhodev Sinha, Deputy Director, The ICSI.*

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4. *Overusing capital letters and exclamation points*

Overusing capitalization or excessive exclamation points can convey an aggressive, rude, or desperate tone. This is especially crucial when sending emails with negative feedback or urgent requests.

Instead of relying solely on punctuation marks, employ appropriate language and an effective tone to convey your message. This means you'll maintain a professional image and prevent any misunderstandings.

5. *Writing an email that's too long*

Email is meant to be a quick and convenient form of communication. However, some individuals tend to write long, elaborate emails that can overwhelm the recipient. With the average worker receiving 121 emails daily, you're wasting your own time writing lengthy messages.

To avoid this email mistake, keep your message concise and focused. Avoid rambling or excessive information. Instead, get straight to the main point while maintaining clarity. Assume the recipient is busy by making the copy as brief and straightforward as possible. Remove unnecessary wording, simplify sentences, and use bullet points if needed.

6. *Sending emails when you're angry or emotional*

It's easy to get caught up in the heat of the moment and fire off an angry or emotional email. However, this can have serious consequences. Instead of letting your emotions take over, it's best to take a step back and cool down before responding. You don't want to have to apologize for this mistake over email as it will come across as insincere.

If you must address a sensitive issue, try to use neutral language and avoid blaming or attacking the recipient. Remember, emails can be forwarded and shared, so it's important to consider the potential impact of your words.

7. *Ignoring the formatting*

The way your email looks can greatly impact its readability and overall effectiveness. By ignoring basic formatting such as paragraphs, bullet points, or bolded text, you risk sending a message that's difficult to read and understand.

Make sure to use proper formatting techniques to make your email visually appealing and easy to navigate. This will help the recipient quickly grasp the main points and understand your message better.

8. *Not proofreading your email*

Sending emails in a hurry is a mistake we've all made. It's actually one of the most common errors when it comes to email communication. However, each time it happens, it creates an impression of carelessness and unprofessionalism for both you and your business.

To avoid this, proofread your email before sending it. Carefully review for spelling and grammar mistakes, as well as missing information or incorrect wording. By taking the time to proofread, you make your message clear, concise, and professional.

9. *Forgetting to attach important files*

Sometimes after the email has been sent, you realize later that you forgot to attach an important file or document. It can be quite an embarrassing mistake to make, especially if the recipient is expecting it.

To avert this email mistake, make sure you double-check and confirm all necessary attachments before sending. Taking this extra step will save you from having to send a follow-up email and shows that you pay attention to detail.

10. *Using urgent email flags to get a recipient's attention*

Email flags such as "urgent" or "important" are often overused and can lose their impact. In fact, they may come across as manipulative or demanding if used too frequently. Adding a "high priority" flag when sending an email doesn't mean the recipient will action your request immediately. In most cases, it creates a false sense of urgency that can cause frustration and annoyance.

Instead of relying on flags, opt for direct communication and establish clear expectations for response times. This way, your urgent requests will be taken seriously without appearing demanding or pushy.

11. *Not knowing how to use the To, CC, and BCC fields*

When you send an email to multiple recipients, it's important to use the correct contact field:

To: These are the contacts you are directly emailing. Remember, everyone will be able to see the address of each recipient.

CC : Also known as "carbon copy" or "courtesy copy", this field indicates that the email is for informational purposes only. It's often used to keep people informed without directly addressing them.

BCC : Short for "blind carbon copy," this works similarly to the "CC:" field. The main difference is that all recipients' email addresses are not publicly visible. Use this field sparingly and only for multiple recipients who don't know each other.

12. *Ignoring email regulations and best practices*

Lastly, it's important to stay up-to-date with email regulations and best practices. This includes familiarizing yourself with data privacy laws, spam guidelines, and proper email etiquette.

From FISMA and HIPAA to CASL and GDPR, it's crucial every email you send complies with the recipient's country laws. A single email mistake here can lead to significant financial penalties. To address this, include an appropriate disclaimer in your emails.

Email disclaimers are required by law in certain countries in North America and Europe. For instance, in the UK, registered limited companies must include their registration number, address, and, if applicable, a VAT number in corporate emails. Failure to comply may result in a one-time fine of £1,000 and additional daily fines up to £100 until the issue is resolved.

13. *Not following up when necessary*

Sometimes, emails can get lost in a busy inbox or overlooked entirely. To ensure that your message is received and acted upon, it's important to send a follow up email if you haven't received a response within a reasonable timeframe.

A polite reminder email can make all the difference in getting your message noticed and acted upon. It also shows that you are committed to effective communication and value the recipient's time. Just make sure to avoid being pushy or aggressive in your follow-up email, as this can have the opposite effect.

14. *Using an email signature you have designed*

Very few businesses rely on individual staff members for brand compliance, including email signatures. Your perception of what's professional and on-brand may not align with your company's brand guidelines.

Personalized email signature designs, even when permitted, often end up as subpar personal electronic business cards. While altering your job title to something flattering but misleading may seem appealing, it can leave an unprofessional impression on external recipients.

That's why it's preferable for companies to have centralized control through the use of an email signature management solution. This way, you can solely focus on the email's content and delivery without worrying about brand compliance. It also ensures that every employee is using the correct contact information, legal disclaimers, and marketing banners in their emails.

Reference

- <https://exclaimer.com/email-signature-handbook/14-common-email-mistakes-to-avoid/>

Social Stock Exchange*

Introduction

We often feel like helping the poor, the underprivileged, or the oppressed with whatever little we can afford. A common question we face is who to donate to. We mostly doubt the legitimacy of the NGOs (non-governmental organizations) around us. This is where a Social Stock Exchange (SSE) steps in. An SSE will act as a bridge between the less-informed but willing donors and legitimate organizations doing real social work.

Hon'ble Finance Minister Smt. Nirmala Sitharaman as part of the Budget Speech for FY 2019-20 proposed the idea of an electronic fund-raising platform "Social Stock Exchange", under the regulatory ambit of Securities and Exchange Board of India (SEBI) for listing social enterprises and voluntary organizations working for the realization of a social welfare objective so that they can raise capital as equity, debt or as units like a mutual fund.

Social Stock Exchange (SSE) is a separate segment of the existing Stock Exchange, that can help Social Enterprise(s) to raise funds from public through the stock exchange mechanism. SSE will act as a medium between Social Enterprises and fund providers and that can help them to select those entities that are creating measurable social impact and reporting such impact. Certain type of Social Enterprises i.e. Not-for-profit organizations (NPOs) that meet the registration criteria can register on SSE and undertake to make continuous disclosures on their social impact. Such NPOs may or may not choose to raise funds through SSE, however, would continue to make disclosures including on social impact to stock exchanges.

The SSE has been set up in both the National Stock Exchange (NSE) and the BSE (formerly known as the Bombay Stock Exchange).

Unnati becomes that first entity to list on the Social Stock Exchange

Objectives of the Social Stock Exchange:

- Regulated platform that brings together social enterprises and donors;
- Facilitate funding and growth of social enterprises;
- Enabling mechanism to ensure robust standards of social impact and financial reporting.

Key benefits of Social Stock Exchange:

- **Improved market access** - SSE will facilitate a common and a structured meeting ground between Social Enterprises and investors/donors with inbuilt regulation for providing sanctity and accountability of finances.

* CS Puneeta Ahuja, Executive (Academics), The ICSI.

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- **Synergy between investors and investee in social aims** - In view of flexibility of investments and capital that would be available on SSE, the canvas of choice would be much wider allowing investors and investees with similar missions and visions to connect seamlessly.
- **Performance based philanthropy** - Performance of the enterprises listed on SSE would be monitored thus it will instill a culture of performance (Social return) driven philanthropy.
- **Minimal Registration Cost** - SSE saves cost for both issuer and investor/donor by charging minimal fees for registration and listing.
- **Additional avenue for Social Enterprises** - Central and State governments till date have the biggest onus of achieving sustainable development goals. SSE will provide an alternate avenue for raising funds thereby encouraging new and existing social enterprises.

Forms of Social Enterprises

The universe of enterprises that create social impact is vast and consists of a variety of legal forms. These can broadly be categorized into: -

1. **For-profit enterprises (FPEs)** (which include companies registered under the Companies Act, sole proprietorships, partnership firms, HUFs and limited liability partnerships); and
2. **Non-Profit Organisations (NPOs)** (which include Section 8 companies, trusts and societies).

The key difference between these two categories is that they source different kinds of capital. **Specifically, FPEs can raise equity while NPOs cannot.**

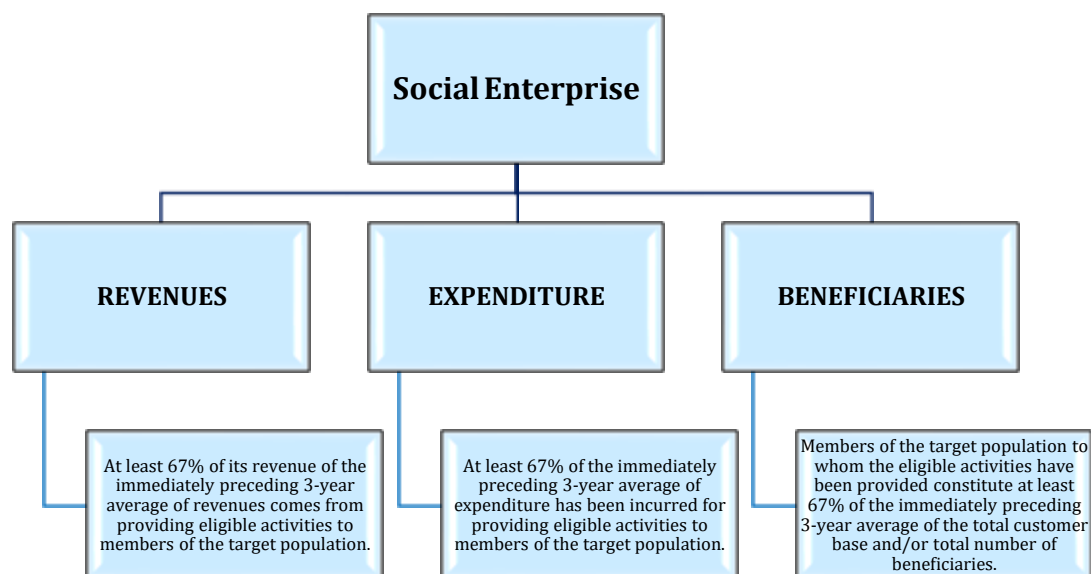
At present, India has a number of conduits through which the social sector receives funding. These are both new (CSR, Impact investing, Socially Responsible Investing or SRI, etc.) and old (philanthropy, government agencies, etc.) and they work to varying degrees of effectiveness. Enabling these diverse channels to come together on a common platform and introducing uniform frameworks in reporting, measurement and standards can represent an important step forward in development of this sector. This is where the SSE has a big role to play.

Eligibility conditions for being identified as a Social Enterprise

A Not-for-Profit Organization or a For Profit Social Enterprise, to be identified as a Social Enterprise, shall establish primacy of its **social intent**. In order to establish the primacy of its social intent, such Social Enterprise shall meet the following eligibility criteria: -

- (a) **Eligible Activity** : The Social Enterprise shall be indulged in at least one of the activities as prescribed by SEBI. The SEBI has prescribed 16 such activities as provided in the below paragraphs. These activities are based on Schedule VII of the Companies Act, 2013, Sustainable Development Goals and priority areas identified by Niti Aayog.
- (b) **Target Segment** : The Social Enterprise shall target underserved or less privileged population segments or regions recording lower performance in the development priorities of central or state governments.

- (c) **Predominance:** The Social Enterprise shall have at least 67% of its activities, qualifying as eligible activities to the target population, to be established through one or more of the following:



Activities as prescribe by the SEBI

The Social Enterprise shall be indulged in at least one of the following activities:

- ❖ Eradicating hunger, poverty, malnutrition and inequality;
- ❖ Promoting health care including mental healthcare, sanitation and making available safe drinking water;
- ❖ Promoting education, employability and livelihoods;
- ❖ Promoting gender equality, empowerment of women and LGBTQIA+ communities;
- ❖ Ensuring environmental sustainability, addressing climate change including mitigation and adaptation, forest and wildlife conservation;
- ❖ Protection of national heritage, art and culture;
- ❖ Training to promote rural sports, nationally recognised sports, Paralympic sports and Olympic sports;
- ❖ Supporting incubators of Social Enterprises;
- ❖ Supporting other platforms that strengthen the non-profit ecosystem in fundraising and capacity building;
- ❖ Promoting livelihoods for rural and urban poor including enhancing income of small and marginal farmers and workers in the non-farm sector;
- ❖ Slum area development, affordable housing and other interventions to build sustainable and resilient cities;
- ❖ Disaster management, including relief, rehabilitation and reconstruction activities;
- ❖ Promotion of financial inclusion;

- ❖ Facilitating access to land and property assets for disadvantaged communities;
- ❖ Bridging the digital divide in internet and mobile phone access, addressing issues of misinformation and data protection;
- ❖ Promoting welfare of migrants and displaced persons;
- ❖ Any other area as identified by the Board or Government of India from time to time.

Fund raising by Social Enterprises

Ways in which a Not-for-profit organization can raise funds through Social Stock Exchange:

A Not-for-Profit organization after registering with Social Stock Exchange may raise funds on Social Stock Exchange through -

- i. Issuance of Zero Coupon Zero Principal Instruments [through private placement or public issuance].
- ii. Donations through Mutual Fund Schemes as specified by the SEBI.
- iii. Any other means that SEBI may specify in future.

Ways in which a For-profit organization can raise funds through Social Stock Exchange:

A For-Profit Social Enterprise may raise funds through

- i. Issue of Equity Shares (On Main Board, SME Platform or innovators growth platform of stock exchange as the case may be).
- ii. Issue of Equity Shares to an Alternative Investment Fund including Social Impact Fund.
- iii. Issue of Debt Instruments.
- iv. Any other means that SEBI may specify in future.

Issuance of Zero Coupon Zero Principal Instruments

Following conditions need to be fulfilled by Not-for-Profit Organizations to issue Zero Coupon Zero Principal Instruments:

- a) The Not-for-Profit Organization must be registered with Social Stock Exchange, and
- b) Zero Coupon Zero Principal Instruments must have specific tenure and can only be issued for a specific project or activity to be completed within a duration specified in the fund raising document, and
- c) The specific project or activity for which the Zero Coupon Zero Principle Instruments are being issued must fall under the list of eligible activities (16 activities as mentioned above) specified under regulation 292E of SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018.

Zero Coupon Zero Principal Instruments will be issued in dematerialized form only.

Zero Coupon Zero Principal instrument (ZCZP) – Salient Features:

- Issuance in dematerialized form only
- Issuance mode – Public Issue or private placement
- Minimum issue size: Rs 50 Lakh
- Minimum application size: Rs 10,000/-

Ineligibility for raising of funds

A Social Enterprise will not be eligible to register or raise funds through Social Stock Exchange if –

- Any of its promoters, promoter group or directors or selling shareholders (in case of for-profit social enterprise) or trustees are debarred from accessing the securities market by SEBI;
- If any of the promoters or directors or trustees of the Social Enterprise is a promoter or director of any other company or Social Enterprise which has been debarred from accessing the securities market by SEBI;
- If the Social Enterprise or any of its promoters or directors or trustees is a willful defaulter or a fraudulent borrower;
- If any of its promoters or directors or trustees is a fugitive economic offender;
- If the Social Enterprise or any of its promoters or directors or trustees has been debarred from carrying out its activities or raising funds by the Ministry of Home Affairs or any other ministry of the Central Government or State Government or Charitable Commissioner or any other statutory body.

The table below compares the NPOs, FPEs and Commercial Entities

	Not-for-Profit Organizations	For Profit Enterprises	Commercial Entities
Focus	Maximizing social impact	Maximizing social impact along with growing shareholder wealth	Maximizing shareholder wealth
Listing on the exchange	Register on the exchange and then raise funds either through listing or other means. Fund raising is not mandatory after registration.	Raise funds through an IPO or follow-on public offers	Raise funds through an IPO or follow-on public offers
Instruments/modes for raising funds	Zero Coupon Zero Principal, Development Impact Bonds, Social Impact Funds, Donations from Mutual Funds	Equity shares through main board, SME, or innovators growth platform, equity shares through AIFs or Social Impact Funds, debt	Equity, Debt
Social mandate	At least 67% of the past three years' average revenues/expenses/customer base should be meant towards providing eligible social activities	At least 67% of the past three years' average revenues/expenses/customer base should be meant towards providing eligible social activities	A company with at least a net worth of ₹500 Cr / revenues of ₹1000 Cr / net profit of ₹5 Cr shall spend at least 2% of its average of three years' net profits towards CSR activities.
Minimum fund raise	₹50 lakh from ZCZP	Similar to commercial entities or AIFs, depending on the choice of fund-raising instruments	Minimum requirements vary depending upon the exchange and the segment (mainboard, SME, growth innovators)
Who can invest?	All entities are allowed. In case of ZCPs, anyone with minimum ₹10,000 can invest. That is the minimum security denomination for ZCZPs.	Retail investors, HNIs, institutional investors - all entities allowed in the capital markets	Retail investors, HNIs, institutional investors - all entities allowed in the capital markets
Reporting social impact	Social Impact Scorecard	Social Impact Scorecard	Business Responsibility and Sustainability Report (mandatory for the 1000 largest listed companies)

Source : <https://zerodha.com/varsity/chapter/social-stock-exchanges-an-introduction/>

Trading in secondary market

The instruments issued by Not-for-Profit Organizations are not available for trading in secondary market. Whereas the instruments issued by For-Profit Organizations are available for trading in secondary market on respective platforms of the Stock Exchanges, on which they are listed.

Consequences in case Social Enterprise fails to follow any guidelines issued by SEBI

Like other listed entities in case of failure to comply with any of the provisions or guidelines SEBI reserves the power to initiate enforcement actions such as issuance of administrative warning, imposing penalties under Chapter VIA of the SEBI Act, or action u/s 11 of the SEBI Act for debarment and/ or penalty.

SSE and UN Sustainable Development Goals

UNDP estimates that India needs USD 1 trillion per year to meet the UN Sustainable Development Goals by 2030, and has a funding gap of USD 560 billion per year. As the Government alone may not be able to mobilise resources on this scale, it may look to enlist the support of the private sector and High Net Worth Individuals (HNI).

Social enterprises, development sector organizations, not-for-profits, NGOs and civil society organisations (CSOs) aim to bring about a positive change in society. However, their efforts to convert intent into impact are often constrained by a lack of capital, as well as by lack of sustained access to this capital.

Conclusion

The Hon'ble Finance Minister's bold vision of a Social Stock Exchange could not have come at a more opportune time for India. It is no wonder then that India is the only country in the world to have mandated a Corporate Social Responsibility role for its private enterprises, and that it is also one of the world's fastest growing impact investing destinations. Yet, much more can and should be done. India's economic imperative is to feed, clothe, educate and empower more than a billion people, in ways that conserve and grow its natural, cultural and social heritages. It cannot expect to accomplish this lofty objective on the strength of conventional commercial capital alone. If that were possible, India would not be home to over 3 million non-profit organizations who are working tirelessly to close the capabilities gap for hundreds of millions of Indians. These NPOs must receive adequate financial assistance to continue and multiply their stalwart efforts. They represent the core of the Hon'ble Finance Minister's vision for a new form of enterprise in India, one in which the entrepreneur is an agent of positive social impact more than anything else.

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- https://nsearchives.nseindia.com/web/sites/default/files/inline-files/NSE%20SSE%20Brochure%20-%20English_08-12-2023.pdf
- <https://zerodha.com/varsity/chapter/social-stock-exchanges-an-introduction/>

90 years of Reserve Bank of India (RBI) : An Overview*

Background

The Reserve Bank of India is the central bank of the country. The Reserve Bank of India was set up on the basis of the recommendations of the Hilton Young Commission. The Reserve Bank of India commenced operations on April 1, 1935. The Central Office of the Reserve Bank was initially established in Kolkata but was permanently moved to Mumbai in 1937. The Central Office is where the Governor sits and where policies are formulated. Though originally privately owned, since nationalisation in 1949, the Reserve Bank is fully owned by the Government of India.

The Bank was constituted to

- Regulate the issue of banknotes;
- Maintain reserves with a view to securing monetary stability; and
- To operate the credit and currency system of the country to its advantage.

Organizational and Management structure of Reserve Bank of India

- The supervision and general affairs of RBI are governed by the central board of directors.
- The Government of India appoints the central board of directors for a tenure of 4 years.
- The Central Board of directors consists of full-time officials which include the Governor and not more than four Deputy Governors.
- The government nominates ten directors from different fields and two government officials. Other four directors one each from the local boards are also appointed.

The Function of the Indian Central Bank Include:

- i. Regulating and supervising commercial and co-operative banks
- ii. Regulating and forex market
- iii. Supervising payment and settlement systems
- iv. Making monetary policies
- v. Issuing currency
- vi. Managing government debt
- vii. Acting as gatekeepers of the external sector.

* Dr. Lunghar Jajo, Executive (Academics), ICSI.

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Milestones

- Burma (Myanmar) seceded from the Indian Union in 1937 but the Reserve Bank continued to act as the Central Bank for Burma till Japanese Occupation of Burma and later upto April, 1947.
- After the partition of India, the Reserve Bank served as the central bank of Pakistan upto June 1948 when the State Bank of Pakistan commenced operations. The Bank, which was originally set up as a shareholder's bank, was nationalised in 1949.

The Journey of RBI

<ul style="list-style-type: none"> • April 1, 1935: Commences operation • 1949: RBI, originally set up as a shareholder's bank, nationalized. In the same year, Indian rupee is devalued for first time. The rupee is again devalued in 1966 and then in 1991 • 1966: RBI starts regulating co-operative banks • 1969: 14 major banks nationalized • 1973: Foreign Exchange Regulation Act (FERA), 1973, comes into force to conserve forex • 1977: A new series of money supply introduces the concepts of M1, M2, M3 • 1985: S Chakravarty Committee set up to review workings of the monetary system • 1988: Maximum lending rate abolished. Banks free to charge customers according to their credit records. • 1991: Amid the Balance of Payments crisis, the RBI pledges gold to shore up reserves • 1993: Guidelines for private sector banks issued; 10 new banks set up. • 1997: RBI and the Government of India agree to replace the system of ad hoc Treasury Bills with Ways and Means Advances, ending automatic monetisation of fiscal deficit 	<ul style="list-style-type: none"> • 1999: Guidelines on debit card issued, to reduce pressure on cash • Foreign Exchange Management Act replaces FERA to facilitate external trade and payments • 2001: Internet banking guidelines issued • 2007: Becomes regulator for payments and settlement system • 2014: Two new bank licenses issued after a decade • 2015: Differentiated bank license issued for setting up payments bank and small finance banks • 2016: UPI pilot launched • Monetary policy committee set up with inflation targeting as mandate. • Central board approves contentious decision of demonetisation to abolish black money invalidating 87% of currency in circulation in one stroke. • 2019-2020 : NEFT and RTGS function on a 24x7x365 basis • 2021 : Joins Network for Greening the Financial System (NGFS) • 2022 : Starts pilot for central bank digital currency • 2023 : Framework for Acceptances of green deposits • 2024 : Disclosure framework on climate-related financial risks.
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Evolution

The Bank was seen as playing a special role in the context of development, especially Agriculture. When India commenced its plan endeavours, the development role of the Bank came into focus, especially in the sixties when the Reserve Bank, in many ways, pioneered the concept and practice of using finance to catalyse development. The Bank was also instrumental in institutional development and helped set up institutions like the Deposit Insurance and Credit Guarantee Corporation of India, the Unit Trust of India, the Industrial Development Bank of India, the National Bank of Agriculture and Rural Development, the Discount and Finance House of India etc. to build the financial infrastructure of the country. With liberalisation, the Bank's focus has shifted back to core central banking functions like Monetary Policy, Bank Supervision and Regulation, and Overseeing the Payments System and onto developing the financial markets.

Institutes Funded by the Bank

<i>Sl. No.</i>	<i>Institutes</i>	<i>Description</i>
1	Centre for Advanced Financial Research and Learning (CAFRAL)	Fully funded by RBI
2	Indira Gandhi Institute of Development Research (IGIDR)	Fully funded by RBI
3	Indian Institute of Bank Management (IIBM)	RBI is a sponsor bank along with other banks and Financial Institutions
4	National Institute of Bank Management (NIBM)	RBI is an ordinary member along with other banks and Financial Institutions.

Factoid

- Sir Osborne Smith was the first governor of the Reserve Bank, Serving from April 1, 1935, to June 30, 1937.
- The current Reserve Bank of India governor is Shri. Shaktikanta Das. The current 4 Deputy Governors are Shri Swaminathan J, Shri T. Rabi Sankar, Shri M. Rajeshwar Rao, and Dr. M.D. Patra.
- The RBI has a mascot, which is an animated roll of money called Money Kumar, his female equivalent is Ms. Money.
- The RBI has a logo that depicts a lion and a palm tree, derived from the East India Company's coinage. The logo symbolises the strength and stability of the RBI.
- RBI is responsible only for printing the currency notes. Minting of coins is done by the Government of India.
- Manmohan Singh, who was RBI governor from Sep 16, 1982, to Jan 14, 1985, went on to become the finance minister of the country and then Prime Minister (2004-14).

- Shaktikanta Das - the 25th governor of RBI - is set to become the longest- serving governor in seven decades once he completes his second term in December this year.
- The latest demonetization was done by the government in 2016, when it invalidated the notes of Rs. 500 and Rs. 1,000.

Source:

1. <https://www.rbi.org.in/Scripts/briefhistory.aspx>
2. <https://timesofindia.indiatimes.com/etimes/trending/rbi-history-and-interesting-facts-about-the-statutorybody/photostory/108230903.cms?picid=108230927>
3. Business Standard: RBI@90

SEBI : Safeguarding India's Financial Markets*

Securities and Exchange Board of India (SEBI) acts as the watchdog for India's stock market. Its main job is to ensure that the market operates smoothly, fairly, and transparently. Think of SEBI as the referee in a game, making sure everyone follows the rules. It sets rules and regulations for companies, brokers, and other market participants, monitors their activities, and punishes those who try to cheat or manipulate the system. SEBI's ultimate goal is to protect investors like you by maintaining a level playing field and promoting trust in the financial markets.

In India, the SEBI stands as a guardian safeguarding the integrity and fairness of the India's capital market. The SEBI was constituted as a non-statutory body on April 12, 1988 through a resolution of the Government of India. The SEBI was established as a statutory body in the year 1992 and the provisions of the Securities and Exchange Board of India Act, 1992 came into force on January 30, 1992.

Preamble

"...to protect the interests of investors in securities and to promote the development of, and to regulate the securities market and for matters connected therewith or incidental thereto"

Structural Organisation of SEBI

SEBI is an autonomous organization that works under the administration of the Union Finance Ministry. The SEBI is managed by the following members as per Section 4 of the SEBI Act, 1992:

- The Chairman
- 2 members from the Ministry of Finance and Ministry of Corporate Affairs (MCA)
- 1 member from the officials of Reserve Bank of India (RBI)
- 5 other members of whom, at least 3 shall be Whole-Time Members (WTM)

Ms. Madhabi Puri Buch is the current SEBI Chairperson who took the charge on 02 March, 2022.

Before 1992, SEBI had limited powers. It was primarily an advisory body without regulatory authority. Its role was more consultative, offering recommendations to the government on matters related to the securities market. However, it lacked the power to enforce regulations or take punitive action against market participants. The market manipulation by Harshad Mehta exposed the weaknesses in India's securities regulation and led to the strengthening of SEBI's regulatory framework, granting it broader powers to effectively regulate and supervise the securities markets.

CS Bhakti H. Chawhan, Executive (Academics), ICSI.

Views expressed are the sole expression of the Author and may not express the views of the Institute.

Several financial irregularities such as market manipulation, price rigging, insider trading, issuance of fake bank receipts, and misuse of bank funds, usage of bank funds to manipulate stock prices, accounting fraud and corporate governance lapses occurred in India's securities markets, highlighting the need for a regulatory body to oversee and regulate the capital markets effectively.

These irregularities underscored the importance of having a robust regulatory framework and an independent regulatory authority like SEBI to oversee and regulate India's securities markets, protect investor interests, and maintain market integrity. As India's Capital markets continue to grow and evolve, SEBI's role as the market watchdog becomes increasingly vital. As a result, SEBI was given additional powers and responsibilities over time to address emerging challenges and ensure the smooth functioning of the capital markets.

By upholding the highest standards of integrity and oversight, SEBI not only safeguards the interests of investors but also contributes to the overall stability and credibility of India's financial system. The primary objective of the SEBI is to protect the interests of investors in securities and to promote the development and regulation of the securities market in India. SEBI's objectives include:

1. **Investor Protection:** At the heart of SEBI's mission lies the protection of investor interests. Recognizing investors as the bedrock of the securities market, SEBI implements robust measures to safeguard their rights and interests. From stringent norms on insider trading to facilitating investor education and grievance redressal mechanisms, SEBI endeavors to instill trust and confidence among investors, thereby fostering market participation and capital inflows. SEBI aims to safeguard the interests of investors by ensuring fair and transparent dealings in the securities market. It implements measures to enhance investor awareness, education, and grievance redressal mechanisms.
2. **Regulatory Oversight:** SEBI's mandate encompasses regulating a diverse array of entities, including stock exchanges, brokers, merchant banks, mutual funds, and other intermediaries. Through stringent oversight and regulation, SEBI aims to maintain market integrity, prevent malpractices, and uphold investor confidence. Its regulatory framework includes guidelines on disclosure, corporate governance, and market conduct, ensuring a level playing field for all stakeholders.
3. **Market Development:** SEBI plays a pivotal role in fostering the growth and development of India's securities market. Through progressive reforms, innovative initiatives, and strategic interventions, SEBI endeavors to enhance market liquidity, efficiency, and accessibility. By introducing new financial products, modernizing market infrastructure, and encouraging technological advancements, SEBI aims to position India as a vibrant hub for capital markets and investment opportunities. SEBI focuses on promoting the development and growth of the securities market in India. It introduces reforms and initiatives to enhance market infrastructure, facilitate capital formation, and foster the introduction of new financial products and services.
4. **Enforcement of Securities Laws:** SEBI wields extensive powers to enforce securities laws and regulations, ensuring compliance and accountability across market participants. From conducting investigations into market irregularities to imposing penalties on violators, SEBI's enforcement actions serve as a deterrent

against fraudulent practices and market abuse. By fostering a culture of compliance and deterrence, SEBI upholds the rule of law and maintains market discipline. SEBI conducts surveillance of market activities to detect and deter violations of securities laws. It takes enforcement actions against entities found to be in non-compliance with regulations, including imposing penalties, sanctions, and disciplinary actions.

5. **Promoting Corporate Governance:** SEBI plays a role in improving corporate governance standards among listed companies. It introduces corporate governance norms and guidelines to enhance transparency, accountability, and disclosure practices, thereby promoting investor confidence in the capital markets.

Investor Redressal by SEBI

SEBI provides several mechanisms for investor redressal to address grievances and concerns of the Investors. Some of the key initiatives and mechanisms for investor redressal by SEBI include:

1. **SCORES:** SEBI Complaints Redress System (SCORES) is an integrated web-based platform for registering and resolving investor complaints against listed companies and market intermediaries. It allows investors to file complaints online and track their status in real-time.
2. **SEBI Investor Helpline:** SEBI operates an investor helpline to provide assistance and guidance to investors regarding various aspects of the securities market, including complaint filing procedures, regulatory requirements, and investor protection measures.
3. **Investor Awareness Programs:** SEBI conducts investor awareness programs and campaigns to educate investors about their rights, responsibilities, and available redressal mechanisms. These programs aim to empower investors to make informed investment decisions and protect themselves from fraudulent activities.
4. **Investor Protection and Education Fund (IPEF):** SEBI oversees the administration of the IPEF, which is dedicated to promoting investor education and protection initiatives. The fund supports activities aimed at enhancing investor awareness, education, and empowerment.
5. **SEBI Investor Website:** The Website *investor.sebi.gov.in* is aimed to help an individual to take control of money so that it can lead to better outcome to his/her investment journey. The website offers guidance to individual to manage their money well, and make sound financial decisions on their own.

Through these initiatives and mechanisms, SEBI strives to ensure prompt and efficient redressal of investor grievances, promote investor confidence, and enhance the integrity and transparency of the securities market in India.

Despite its achievements, SEBI faces a myriad of challenges, including evolving market dynamics, technological disruptions, and global uncertainties. However, with a proactive approach, adaptive regulatory framework, and collaboration with stakeholders, SEBI is poised to navigate these challenges and propel India's financial markets to new heights. Embracing innovation, fostering inclusivity, and upholding market integrity will be pivotal in shaping SEBI's future trajectory and ensuring sustainable growth and stability in India's securities market.

In conclusion, SEBI stands as a beacon of regulatory excellence, driving India's financial markets towards greater transparency, efficiency, and investor protection. Through its steadfast commitment to regulatory oversight, investor education, and market development, SEBI has emerged as a cornerstone of India's economic growth story. As India marches towards becoming a global financial powerhouse, SEBI's role as a guardian of market integrity and investor interests will remain indispensable, shaping the contours of India's financial landscape for years to come.

Sources:

- <https://www.business-standard.com/about/what-is-sebi>
- <https://www.sebi.gov.in/about-sebi.html>
- <https://blog.elearnmarkets.com/sebi-purpose-objective-functions-sebi/>
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Current Affairs*

- **GeM crosses ₹ 4 Lakh Crore in GMV at the end of this Fiscal Year, doubles business in a year (March 29, 2024)**

Government e Marketplace has closed this financial year with ₹ 4 lakh crore in Gross Merchandise value (GMV) - doubling its GMV clocked at the end of previous Fiscal Year. This testifies to the portal's unique digital capabilities and functionalities that have facilitated greater efficiency, transparency, and seamlessness in public procurement.

The procurement of Services through the GeM portal has proved to be a pivotal force behind this staggering GMV. Nearly 50% of this GMV has been attributed to the procurement of Services, displaying a remarkable surge of 205% in terms of Services procured on GeM last FY. By creating access to market, GeM has been exceptionally successful in breaking down the cartel of established and renowned service providers, paving way for small domestic entrepreneurs to participate in government tenders from anywhere at any time. The vast repository of Services on GeM has enabled States to procure innovative solutions that cater to all their dynamic needs.

Increased engagement from States has also mobilized this phenomenal growth in GMV. In this FY, highest procuring State like Gujarat, Uttar Pradesh, and Delhi, have helped States well surpass the earmarked public procurement target of this year. The contribution made by central entities including Ministries and CPSEs has also greatly spurred the GMV. These Government organization have contributed to nearly 85 % of this ₹ 4 lakh crore milestone. Notably, Ministry of Coal, Ministry of Power and Ministry of Petroleum & Natural Gas and their subsidiaries have emerged as the highest procuring entities at the central level.

For details: <https://pib.gov.in/PressReleasePage.aspx?PRID=2016631>

- **ICSI organizes 2nd National Women's Conference from 22-23 March 2024 in Bengaluru (March 22, 2024)**

The Institute of Company Secretaries of India organized its 2nd National Women's Conference in Bengaluru. Acknowledging the pivotal role women play in propelling economic and social advancements, the conference aimed to celebrate their noteworthy contribution across social, economic, cultural, and political spheres. The theme of the two-day (22-23 March 2024) National Women's Conference 'Inspire Women Leadership - Accelerate Progress' embodied the spirit to celebrate women's achievements and honour their legacy that will inspire the future generations of women to strive for excellence while rewriting the future into a more just and equitable world for all.

For details:

<https://www.icsi.edu/media/webmodules/PressRelease/PressRelease2ndNWC23032024.pdf>

**Collated by Mahesh Airan, Assistant Director, The ICSI.*

- **Start-up Mahakumbh (March 20, 2024)**

The Prime Minister, Shri Narendra Modi inaugurated the Start-up Mahakumbh at Bharat Mandapam, New Delhi on March 20, 2024. Addressing the gathering, the Prime Minister highlighted the importance of Start-up Mahakumbh and emphasized the country's roadmap of working to become a Viksit Bharat by 2047. He also highlighted India's making a mark in the IT and software sector in the last few decades and underlined the emerging trends of innovation and start-up culture.

He said that the startup revolution is being led by small cities and that too in a wide range of sectors including agriculture, textiles, medicine, transport, space, yoga and ayurveda. Elaborating on space startups, the Prime Minister said that Indian startups are working in more than 50 areas in the space sector, including the launch of the space shuttle.

Underlining the impetus provided by Digital India to start-ups, the Prime Minister said that it is a huge inspiration and suggested colleges take it up as a case study. He mentioned UPI becoming a pillar of support for the fin-tech start-ups which lead the development of innovative products and services for the expansion of digital services in the country.

He also underlined the contributions of the youth of India in making it the fifth largest economy in the world from the 11th position and also highlighted the role to be played by startups in fulfilling the guarantee to make India the third largest economy in the third term. Concluding the address, the Prime Minister said that interacting with the youngsters fills him with new energy as he conveyed his best wishes for the future.

For details: <https://pib.gov.in/PressReleasePage.aspx?PRID=2015648>

- **First ICSI International ADR Centre at Noida (February 29, 2024)**

With the intent to facilitate Arbitration, Mediation and Conciliation at National and International level, the Institute of Company Secretaries of India (ICSI) established its first ICSI International ADR Centre at Noida (U.P.). Hon'ble Mr. Justice P. Sathasivam, former Chief Justice of India and former Governor of Kerala inaugurated the ICSI International ADR Centre at ICSI House, C-36, Institutional Area, Sector - 62, Noida (U.P.).

The ICSI International ADR Centre at Noida is a state-of-the-art facility with world-class infrastructure, advance Video Conferencing facility, top notch administrative facilities, etc. The Objective of the ICSI International ADR Centre is to promote Alternate Dispute Resolution (ADR) methods including Mediation, Conciliation and Arbitration to assist and educate all sections of Society, Individuals, Corporates, Firms, Institutions and Establishments (Local or International).

For details: https://www.icsi.edu/media/webmodules/PR_29022024.pdf

Sample Questions

Paper 1 : Business Communication

1. *“Communication is the transmission and interchange of facts, ideas, feelings or course of action”, has been stated by whom?*
 - a. Newman and Summe
 - b. Leland Brown
 - c. Allen Louis
 - d. Ordway Tea
2. A well-defined marketing strategy and public relations campaign run by an organization helps in_____.
 - a. increasing expenses
 - b. increasing productivity
 - c. increasing customers
 - d. enhancing business partnerships
3. Which of the following is the second stage of communication process?
 - a. Encoding
 - b. Communication channel
 - c. Decoding
 - d. Feedback
4. Choose the correct spelling
 - a. integrity
 - b. intigerity
 - c. integerety
 - d. integreety
5. Rearrange the following parts (i, ii, iii and iv) in proper sequence to obtain a correct sentence.
 - i. The CEO
 - ii. of making the right decision
 - iii. was not scared
 - iv. despite a loss in profits
 - a. i, ii, iii, iv
 - b. i, ii, iv, iii
 - c. i, iii, ii, iv
 - d. ii, iii, iv, i

Paper 2 : Legal Aptitude and Logical Reasoning

6. Complete the statement given below:
We, the People of India, having solemnly resolved to constitute India into a Sovereign Socialist Secular Democratic Republic and to secure to all its citizens: _____, social, Economic and political:
- Financial
 - Monetary
 - Justice
 - Economic
7. In which year, the Company Secretaries Regulations was passed?
- 1956
 - 1979
 - 1982
 - 1988
8. An agreement can be made between at least _____.
- One
 - Two
 - Three
 - Four
9. Given that 12th April, 2024 is Monday, what will be the day on 30th April in 2024?
- Thursday
 - Saturday
 - Friday
 - Friday or Saturday
10. If Pen is called Pen, Book is called Stapler, Stapler is called Bottle, what is used for the purpose of reading?
- Telephone
 - Mobile
 - Book
 - Stapler

Paper 3 : Economic and Business Environment

11. Which of the following is / are the component /s of business environment?
 - a. Political Environment
 - b. Economic Environment
 - c. Social Environment
 - d. All of the above
12. _____ covers the expenditure incurred by private enterprise on new investment and on replacement of old capital.
 - a. Gross Domestic Private Investment
 - b. Net Domestic Private Investment
 - c. Total Domestic Private Investment
 - d. Accumulated Domestic Private Investment
13. If percentage change in quantity demanded is 10% and percentage change in price is 5%, then price elasticity of demand will be?
 - a. 2
 - b. 1
 - c. 0.5
 - d. 4
14. Which of the following organization took over the regulatory and administrative control of UTI from the Reserve Bank of India (RBI) in 1978?
 - a. Small Industries Development Bank of India (SIDBI)
 - b. Industrial Finance Corporation of India (IFCI)
 - c. State Bank of India (SBI)
 - d. Industrial Development Bank of India (IDBI)
15. If the price of a product increases by 30% and the demand for the product decreases only by 10%, then the demand would be called _____.
 - a. Perfectly Elastic
 - b. Relatively Inelastic
 - c. Unitary Elastic
 - d. Relatively Elastic

Paper 4 : Current Affairs and Quantitative Aptitude

16. With whom has the Government of India signed a loan agreement to strengthen the Fintech eco system in India?
 - a. World Bank
 - b. ADB
 - c. World Economic Forum
 - d. New Development Bank
17. Which app has been launched to make the election process easier for the disabled?
 - a. Dhrishti
 - b. Shikhar
 - c. Shaksham
 - d. Vishwas
18. Who has been appointed as the new President of Federation of Indian Export Organization?
 - a. Rajeev Sinha
 - b. Jai Agnihotri
 - c. Ashwini Kumar
 - d. Vinay Kumar
19. According to the World Happiness Report 2024, which is the happiest country in the world?
 - a. Denmark
 - b. Germany
 - c. Finland
 - d. Iceland
20. Which among the following organizations acquired Lanco Amarkantak Power Limited, approved by CCI?
 - a. Tata Power
 - b. Adani Power Limited
 - c. Reliance Industry
 - d. NTPC

21. Look at this series: 1, -1, -5, -13, What number should come next?
- 25
 - 29
 - 21
 - None of these
22. What is 10 percent of 75 percent of 900?
- 57.5
 - 67.5
 - 72.5
 - 77.5

Answer Key:

1	b	6	c	11	d	16	b
2	c	7	c	12	a	17	c
3	a	8	b	13	a	18	c
4	a	9	c	14	d	19	c
5	c	10	d	15	b	20	b
						21	b
						22	b

Motto

सत्यं वद। धर्मं चर।

इष्टार्थं कुरु त्वात्ते. बोधेते तु तेन वाच.

Vision

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

Mission

"To develop high calibre professionals facilitating good corporate governance"



**THE INSTITUTE OF
Company Secretaries of India**

भारतीय कम्पनी सचिव संस्थान

IN PURSUIT OF PROFESSIONAL EXCELLENCE

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(Under the jurisdiction of Ministry of Corporate Affairs)

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