

*Vision*

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

*Motto*

सत्यं वद। धर्मं चर। इष्टकारं कुरु। तृप्तौ। प्रसन्नो ह्येतेषुपुद्गवेषु

*Mission*

"To develop high calibre professionals facilitating good corporate governance"

Monday, March 16, 2026

# Info Capsule

*President*

**CS Pawan G Chandak**

*Vice President*

**CS Dwarakanath C**

## ❖ *Department for Promotion of Industry and Internal Trade*

### **Review of FDI Policy on Investments from Countries Sharing Land Border with India (March 15, 2026)**

The Government of India has reviewed Para 3.1.1 of the Consolidated FDI Policy Circular of 2020 dated 15.10.2020, as amended from time to time (FDI Policy) on investments from countries sharing land border with India as notified vide Press Note 3 (2020) dated 17.04.2020. Accordingly, Para 3.1.1 of the FDI Policy is amended and to be read as follows:

3.1.1 (a) A non-resident entity can invest in India, subject to the FDI Policy except in those sectors/activities which are prohibited. However, an entity or a citizen of a country which shares land border with India, or where the beneficial owner of an investment into India is a citizen of any such country, can invest only under the Government route. Further, a citizen of Pakistan or an entity incorporated in Pakistan can invest, only under the Government route, in sectors/activities other than defence, space, atomic energy and sectors/activities prohibited for foreign investment.

3.1.1 (b) In the event of the transfer of ownership of any existing or future FDI in an entity in India, directly or indirectly, resulting in the beneficial ownership falling within the restriction of the Para 3.1.1(a) above, such subsequent change in beneficial ownership shall require prior Government approval.

For details:

<https://www.dpiit.gov.in/static/uploads/2026/03/b9da5830b052c2f2d788593e97d07c63.pdf>

## ❖ *Ministry of Micro, Small & Medium Enterprises*

### **MSME Ministry Completes 364 MSE-CDP Projects; SFURTI Boosts Traditional Industry Clusters (March 14, 2026)**

Micro and Small Enterprises-Cluster Development Programme (MSE-CDP) of Ministry of Micro, Small and Medium Enterprises, Government of India establish Common Facility Centers (CFCs) and create/upgrade Infrastructure Facilities (ID Projects) providing financial support to enhance the productivity and competitiveness of Micro and Small Enterprises (MSEs) in the existing cluster. Total 606 projects have been approved since inception of the scheme out of which 242 projects are ongoing and 364 projects are completed.

Under the Scheme of Fund for Regeneration of Traditional Industries (SFURTI), significant progress has been made in promoting cluster-based development, strengthening traditional industries, and enhancing rural livelihoods.

For details:

<https://www.pib.gov.in/PressReleasePage.aspx?PRID=2240160&reg=3&lang=1>

## ❖ *Capital Market and Securities Law* **Borrowing by Mutual Funds (March 13, 2026)**

In terms of Regulation 42 (2) of SEBI (Mutual Funds) Regulations, 2026, the limit of 20% is not applicable for intraday borrowings subject to such conditions as may be specified by SEBI. Accordingly, vide this circular dated March 13, 2026, SEBI has prescribed the conditions which shall be applicable for intraday borrowings by mutual funds with effect from April 01, 2026. It is *inter alia* provided that the policy for use of intraday borrowing facility shall be approved by Board of Asset Management Company (AMC) and Board of Trustees and shall be uploaded on the website of AMC. Intraday borrowings shall be used only for the purpose of repurchase or redemption of units or payment of interest or Income Distribution cum Capital Withdrawal payout to the unitholders. Further, it is clarified that borrowings by equity-oriented index funds and equity-oriented ETFs on account of under execution of sell trades on the Stock Exchange in terms of Regulation 42(1) of SEBI (Mutual Funds) Regulations, 2026 is permissible only for the purpose of participation by such funds in the Closing Auction Session in the equity cash segment of the Stock Exchanges with effect from the date of applicability of the SEBI circular dated January 16, 2026 and in the manner specified therein.

For details:

[https://www.sebi.gov.in/legal/circulars/mar-2026/borrowing-by-mutual-funds\\_100329.html](https://www.sebi.gov.in/legal/circulars/mar-2026/borrowing-by-mutual-funds_100329.html)

## ❖ **Business & Economy**

### • **Union Budget FY 2026-27: A Push for India's Services Exports (March 14,2026)**

India's services sector has emerged as one of the strongest performers of the economy, playing an increasingly important role in driving growth, productivity, and global integration. According to the World Bank, the share of services in India's GDP rose to 49.9% in 2024, which is about 1.5 percentage points above the pre-pandemic average, an increase greater than the global average and the majority of developed economies. This expansion has been supported by productivity improvements driven by rapid adoption of digital technology and deeper integration of Indian firms into the global value chain. India's services exports have maintained strong momentum in FY2025-26, supported by sustained global demand for Indian services. Over the period April-January 2025-26, services exports are estimated at USD 348.4 billion.

According to the RBI's survey on computer software and information technology-enabled services (ITES), software services exports increased by 7.3% year-on-year in FY25, reflecting sustained momentum in India's digital services exports. During this period, computer services accounted for over two-thirds of India's total software services exports, while BPO services remained the most significant component of ITES exports.

In FY23-FY25, Professional and management consulting has emerged as the second-largest contributor, growing at 25.9% and thereby resulting in increasing its share from 10.5% in FY16-FY20 to 18.3% in FY23-FY25.

For details: <https://www.pib.gov.in/PressReleasePage.aspx?PRID=2240065&reg=3&lang=1>

### • **Govt releases white paper on building indigenous AI foundation models to strengthen India's digital ecosystem (March 15,2026)**

The Office of the Principal Scientific Adviser to the Indian government has released a white paper titled "Advancing Indigenous Foundation Models", outlining a roadmap to develop India's own artificial intelligence models and strengthen the country's position in the global AI ecosystem.

The paper is part of an ongoing AI Policy White Paper Series aimed at shaping the country's artificial intelligence strategy.

The document highlights the development of indigenous foundation models as a key priority to ensure inclusive growth, public welfare, and alignment with India's legal framework, values, and security interests.

Currently, many AI models used in India are developed overseas and trained on datasets that may not fully represent the country's diversity. To address this gap, the government is prioritising local AI development as part of its digital infrastructure strategy.

For details: <https://ddnews.gov.in/en/govt-releases-white-paper-on-building-indigenous-ai-foundation-models-to-strengthen-indias-digital-ecosystem/>

### • **Industry seeks concessional imports via SEZs (March 16, 2026)**

In a move aimed at supporting import substitution and manufacturing in India, industry has suggested that the Centre allow imports from major import partners including China and countries under different trade agreements, to be supplied from special economic zones (SEZ) to the domestic area at concessional duty. In a communication to the commerce and industry ministry, SEZ units and developers suggested that 200 products including photovoltaic cells, naphtha, fungicides, non-industrial diamonds, parts of electric power machinery, certain vaccines and aluminium billets be allowed to be imported at concessional duty. "This will catalyse import substitution and manufacturing activity within India, driving investment and generating employment opportunities," the communication stated.

For details: <https://economictimes.indiatimes.com/news/economy/foreign-trade/industry-seeks-concessional-imports-via-sezs/articleshow/129594870.cms>

❖ **Pronouncement**

<b>20th February, 2026</b>	<b>Regional Provident Fund Commissioner and another Vs. Employees Provident Fund Appellate Tribunal, Ministry of Labour &amp; Employment Government of India &amp; Ors.</b>	<b>High Court at Calcutta Constitutional Writ Jurisdiction Appellate Side WPA 11596 of 2011</b>
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***An apprentice engaged under the Apprentices Act or under the Standing Orders is excluded from the definition of an 'employee' as per Section 2(f) of the EPF Act***

**Brief Facts**

The petitioners received a complaint against the respondent no. 2, from the secretary of AAL West Bengal Sales Representatives Union, stating that respondent no. 2 had deprived the trainee medical representatives working in respondent company from the legitimate right of becoming a member under the Employees Provident Fund and Miscellaneous Provisions Act, 1952. The Petitioners on the basis of the said report initiated the proceedings under Section 7A of the Employees Provident Fund and Miscellaneous Provisions Act, 1952 and summons was issued to the respondent company.

An order under Section 7A of the Employees Provident Fund and Miscellaneous Provisions Act, 1952 was passed on holding that the trainee medical representatives working in the respondent company were neither apprentices under the Apprentices Act of 1961 or under standing orders and as such they had to be considered as "employee" within the meaning of Section 2(f) of the Employees Provident Fund and Miscellaneous Provisions Act, 1952 and paragraph 26 (1) (a) of the Employees Provident Fund Scheme, 1952 and would be entitled for all benefits under the Employees Provident Fund and Miscellaneous Provisions Act, 1952 and accordingly an amount of Rs. 18, 74, 239/- as the total dues in respect of the said trainee medical representatives working under the respondent no. 2 for the period 5/1999 to 3/2007 was demanded.

The respondent no. 2 did not submit the assessed amount of Rs. 18, 74, 239/- and as such the petitioners passed an attachment order to the banker of the respondent company under Section 8F of the Employees Provident Fund and Miscellaneous Provisions Act, 1952.

**Judgment**

*In the Regional Provident Fund Commissioner, Mangalore vs. M/s. Central Arecanut & Coca Marketing and Processing Co-op. Ltd., Mangalore (2006) 2 SCC 381, the Supreme Court held that: -*

*Undisputedly, the respondents are trainees. The question as rightly noted by the Division Bench is whether an apprentice can be deemed to be an employee within the meaning of Section 2(f) of the Act in the case at hand.*

From a bare reading of Section 12-A it is manifestly clear that until the Standing Orders are finally certified and come into operation, the prescribed model standing orders shall be deemed to be adopted in the concerned establishment. The Model Standing Orders prescribed under Rule 3(1) of the Industrial Employment (Standing Orders) Central Rules, 1946 (in short the 'Central Rules') are contained in Schedule I to the said Rules. Standing Order No.2 thereof classified workmen as follows:

- 1) Permanent
- 2) Probationers
- 3) badlis
- 4) temporary
- 5) casual
- 6) apprentices.

*'Apprentice' is defined in clause (g) of Standing Order No.2 as follows:*

*An 'apprentice' is a learner who is paid an allowance during the period of his training."*

*The Apprentices Act defines an 'apprentice' as follows:*

*"2(aa): 'apprentice' means a person who is undergoing apprenticeship training in pursuance of a contract of apprenticeship."*

*In the present case, admittedly the Standing Orders were not at the relevant point of time certified. Therefore, in terms of Section 12-A of the Standing Orders Act, the Model Standing Orders are deemed to be applicable. Section 2(f) of the Act defines an employee to include an apprentice, but at the same time makes an exclusion in the case of an apprentice engaged under the Apprentices Act or under the Standing Orders. Under the Model Standing Orders an apprentice is described as a learner who is paid allowance during the period of training.*

*In the case at hand, trainees were paid stipend during the period of training. They had no right to employment, nor any obligation to accept any employment, if offered by the employer. Therefore, the trainees were 'apprentices' engaged under the 'Standing Orders' of the establishment.*

*The Hon'ble High Court, stated that it cannot be said that the concerned 45 trainees were employee in terms of Section 2(f) of the Act. In other words, an apprentice engaged under the Apprentices Act or under the Standing Orders is excluded from the definition of an 'employee' as per Section 2(f) of the Act.....".*

*Thus, the Writ petition is being disposed of.*

❖ **ESG Update****Tyler Technologies****Environmental Task Force and Green Teams to promote sustainable practices**

Tyler's environmental initiatives and strategies are led by Environmental Task Force (ETF) and Green Teams. These self-organized, cross-functional groups include Tyler team members who voluntarily come together to promote sustainable practices and support our position as environmental stewards. Tyler's ETF includes facilities managers who frequently collaborate with Green Teams by providing guidance and oversight on environmental issues and priorities in their locations. The ETF meets monthly to review sustainability project opportunities and is built on three foundational pillars:

- Energy-Optimized Operations
- Resource Efficiency
- Green Planet Initiatives

For details: <https://www.tylertech.com/Portals/0/Corporate-Responsibility/Tyler-2024-CRR-Report.pdf>



[MSME READY RECKONER-2.0-DECEMBER 2025](#)

Year of Publication: 2025

Price: Rs. 400/-

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<https://smash.icsi.edu/Scripts/ECart/Default/ItemWiseECartSearchOnlineBooks.aspx?ItemId=400>



[DECODING ESG \(FAQs ON ESG & SUSTAINABILITY\) - JULY 2025](#)

Year of Publication: 2025

Price: Rs. 120/-

Weblink for Purchase:

<https://smash.icsi.edu/Scripts/ECart/Default/ItemWiseECartSearchOnlineBooks.aspx?ItemId=389>

**Market Watch**

**Stock Market Indices as on 16.03.2026**

S & P BSE Sensex	75502.85 (+1.26%)
Nifty 50	23408.80 (+1.11%)

**Foreign Exchange Rates as on 16.03.2026**

(<https://m.rbi.org.in/scripts/ReferenceRateArchive.aspx>)

INR / 1 USD	INR / 1 EUR	INR / 1 GBP	INR / 1 JPY
92.40	105.59	122.37	.58

**Prepared by Directorate of Academics & Research**

For any suggestions, please write to [academics@icsi.edu](mailto:academics@icsi.edu)

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