



Vision

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

Motto

सत्यं वद। धर्मं चर। इष्टार्थे तेनैव लोकोत्पन्नैः पण्डितैः प्रोक्तैः श्रुतैः

Mission

"To develop high calibre professionals facilitating good corporate governance"

Info Capsule

Tuesday, January 20, 2026

President

CS Pawan G Chandak

Vice President

CS Dwarakanath C

❖ **Views/Comments sought by Regulators**

Consultation Paper: Circular under SEBI (Index Providers) Regulations, 2024 (January 19, 2026)

SEBI has notified the regulatory framework for Index Providers in the securities market through the SEBI (Index Provider) Regulations, 2024 with the objective of fostering transparency and accountability in governance and administration of Indices. The significant indices under the regulation were defined as "Indices administered by an Index Provider, which are tracked or benchmarked by domestic mutual fund schemes with the cumulative assets under management exceeding the limits as may be specified from time to time." Based on the internal deliberations and discussions with Association of Mutual Funds in India (AMFI), the draft circular proposing the mentioned limit and the manner to calculate this limit along with the list significant indices is placed at Annexure-1, for seeking public comments on the proposal. The comments or suggestions should be submitted latest by February 10, 2026.

For details:

https://www.sebi.gov.in/reports-and-statistics/reports/jan-2026/consultation-paper-on-circular-under-sebi-index-providers-regulations-2024-_99130.html

❖ **Ministry of Panchayati Raj**

Centre Releases ₹213.9 Crores under XV Finance Commission Grants to strengthen rural local bodies in Assam (January 20, 2026)

The Union Government has released ₹213.9 crores as XV Finance Commission Untied Grants for Rural Local Bodies in Assam. This amount represents the first installment for the financial year 2025-26. It has been released for all 2,192 eligible Gram Panchayats, 182 eligible Block Panchayats and 27 eligible Zilla Parishads across the State. Government of India through Ministry of Panchayati Raj and Ministry of Jal Shakti (Department of Drinking Water and Sanitation) recommends release of XV-FC grants to States for Panchayati Raj Institutions (PRIs)/ Rural Local Bodies (RLBs) which is then released by Ministry of Finance. The allocated grants are recommended and released in 2 installments in a financial year.

For details:

<https://www.pib.gov.in/PressReleasePage.aspx?PRID=2216373®=3&lang=1>

❖ **Ministry of Social, Justice and Empowerment**

India Launches Responsible Nations Index to Promote Ethical Governance and Global Responsibility (January 19, 2026)

India launched the Responsible Nations Index (RNI) at the Dr. Ambedkar International Centre, New Delhi, under the aegis of the World Intellectual Foundation (WIF). The Index introduces a comprehensive global framework for assessing nations on parameters such as ethical governance, social well-being, environmental stewardship, and global responsibility, going beyond conventional indicators of power and economic prosperity.

For details:

<https://www.pib.gov.in/PressReleasePage.aspx?PRID=2216304®=3&lang=1>

❖ Ministry of Finance

Digital footprint-based lending revolutionizes MSME financing through Jan Samarth Portal (January 19, 2026)

The Public Sector Banks (PSBs) launched Credit Assessment Model (CAM) based on digital footprints for Micro, Small & Medium Enterprises (MSMEs) in the year 2025. Between 1st April and 31st December, 2025, over 3.96 lakh MSME loan applications amounting to more than ₹52,300 crore have been sanctioned by the Public Sector Banks (PSBs) under the digital credit underwriting programmes.

This credit assessment model leverages the digitally fetched and verifiable data available in the ecosystem and devise automated journeys for MSME Loan appraisal using objective decisioning for all loan applications and model-based limit assessment for both Existing to Bank (ETB) as well as New to Bank (NTB) MSME borrowers.

Digital footprints are used by the model for KYC authentications, mobile and email verifications, GST data analysis, bank statement analysis (using account aggregator), ITR verification and due diligence using Credit Information Companies (CICs) data, fraud checks, among others.

The benefits to MSMEs by use of such models include submission of application from anywhere through online mode, reduced paperwork and branch visits, instant in-principle sanctions through digital mode, seamless processing of credit proposals, end to end straight through process (STP), reduced turnaround time (TAT), Credit decision based on objective data/ Transactional behaviour and credit history and integration of credit guarantee schemes like CGTMSE.

For details : <https://www.pib.gov.in/PressReleasePage.aspx?PRID=2216047®=3&lang=1>

❖ ESG Update

Kellton

- The company organises well-being programs (physical and mental health), regular employee surveys/feedback mechanisms, accessible L&D (Learning and Development) classes, supportive policies for exible work/life balance, and strong HR/ management support for employee initiatives.
- The company regularly invests in state-of-the-art digital solutions, use of real-time data analytics, continuous process optimization, cloud transformation, and regular upskilling/reskilling in digital competences across the workforce.
- The company focuses on formal succession planning for key roles, targeted retention programs (career mapping, mentoring, rewards for tenure/ performance), regular talent reviews and risk mapping, leadership development, proactive exit interviews, and continuous monitoring of attrition trends.
- At Kellton, an effective grievance redressal procedure has been established to ensure that compliance guidelines and human rights concerns are upheld throughout the company.
- Kellton complies with all applicable environmental laws, regulations, and guidelines in India, including but not limited to the Water (Prevention and Control of Pollution) Act, Air (Prevention and Control of Pollution) Act, Environment Protection Act, and related rules thereunder.
- Kellton has a comprehensive policy framework addressing cybersecurity and data privacy risks.

For details:

https://nsearchives.nseindia.com/corporate/KELLTONTEC_09092025162353_KTSL_BRSR_2025.pdf

❖ **Pronouncement**

January 15, 2026	The Authority for Advance Rulings (Income Tax) And Others {Appellant(s)} Versus Tiger Global International II Holdings {Respondent(s)}	Supreme Court of India Civil Appeal No. 262 of 2026 [Arising out of SLP (C) No. 2640 of 2025] 2026 INSC 60
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The Power of an Independent Republic to Levy and Collect Tax forms part of its inherent Sovereign Functions**Brief Facts**

In a common order Authority for Advance Rulings (Income Tax) (“AAR”) held that Respondents were not entitled to the benefits of the India—Mauritius Double Taxation Avoidance Agreement (“DTAA”). However, High Court set aside the order passed by the AAA & held that the assesseees were entitled to treaty benefits and that their income would not be chargeable to tax in India. Aggrieved by the same, the Revenue has preferred the instant appeals.

Judgement

Hon’ble Apex Court inter alia observed that the power of an independent Republic to levy and collect tax forms part of its inherent sovereign functions, and such power is circumscribed only by the requirement of being within the authority of law. Article 265 of the Constitution of India envisages the same. In a world where nations must necessarily engage with each other for mutual economic growth through trade, commerce and business, and for reasons of economic policy, international cooperation, and diplomatic balance, the power of each nation is often exercised in tune with such bilateral or multilateral agreements, which do not take away such inherent power but which now stand shaped by the legal framework agreed to between the parties.....

Court referred to the *Vodafone International Holdings BV v. Union of India* judgment and said that *Vodafone* judgment provides crucial insight into this issue. It implies that business intent behind a transaction serves as strong evidence of whether the transaction is deceptive or an artificial arrangement. The commercial motive behind a transaction often reveals its true nature. In the present case, the respondents seek exemption from the Indian Income tax while, at the same time, contending that the transaction is also exempt under Mauritian law, which runs contrary to the spirit of the DTAA and presents a strong case for the Revenue to deny the benefit as such an arrangement is impermissible. Here again, it may be stated that this stand would again strengthen the reasoning that whether the sale is of shares of an Indian company then, will not be germane for consideration because only if the assessee is liable to pay tax in Mauritius, he can derive benefit under the provision under Article 13(c) of the DTAA as amended. Section 96(2) places the onus on the taxpayer to disprove the presumption of tax avoidance. This represents a significant shift in the burden of proof. In the case at hand, there is clear and convincing prima facie evidence to demonstrate that the arrangement was designed with the sole intent of evading tax, and the assesseees have failed to furnish sufficient material to rebut this presumption. Though it is permissible in law for an assessee to plan his transaction so as to avoid the levy of tax, the mechanism must be permissible and in conformity with the parameters contemplated under the provisions of the Act, rules, or notifications. Once the mechanism is found to be illegal or sham, it ceases to be “a permissible avoidance” and becomes “an impermissible avoidance” or “evasion”. The Revenue is, therefore, entitled to enquire into the transaction to determine whether the claim of the assesseees for exemption is lawful.

Supreme Court held that once it is factually found that the unlisted equity shares, on the sale of which the assesseees derived capital gains, were transferred pursuant to an arrangement impermissible under law, the assesseees are not entitled to claim exemption under Article 13(4) of the DTAA. The Revenue has proved that the transactions in the instant case are impermissible tax-avoidance arrangements, and the evidence prima facie establishes that they do not qualify as lawful. Consequently, Chapter X-A becomes applicable. The applications preferred by the assesseees relate to a transaction designed prima facie for tax avoidance and were rightly rejected as being hit by the threshold jurisdictional bar to maintainability, as enshrined in proviso (iii) to Section 245R(2). Accordingly, capital gains arising from the transfers effected after the cut-off date, i.e., 01.04.2017, are taxable in India under the Income Tax Act read with the applicable provisions of the DTAA. The judgment of the High Court therefore deserves to be set aside.

For details:

https://www.sci.gov.in/view-pdf/?diary_no=12512025&type=j&order_date=2026-01-15&from=latest_judgements_order

ICSI**(Management and Development of Company Secretaries
in Practice) Guidelines, 2023****ICSI
(Management and
Development of
Company Secretaries
in Practice)
Guidelines, 2023****About the Book**

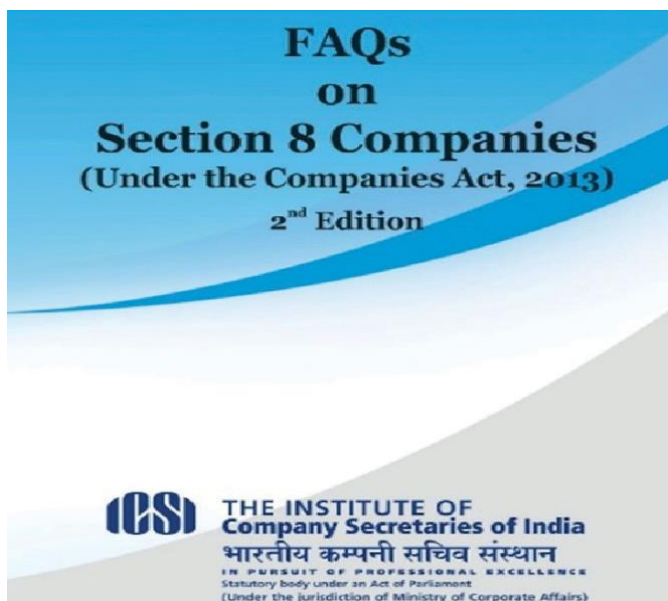
These Guidelines aim to facilitate the Company Secretary in Practice by consolidating all relevant Guidelines as applicable to Company Secretary in Practice along with the processes involved therein in a coherent manner that ensures ease of reference and enhanced comprehension; right from applying for the PCS Orientation Programme and enrolling as Company Secretary in Practice to running successful Practice.

Year of Publication: 2023

Price: Rs. 200/-

Weblink for Purchase:

<https://smash.icsi.edu/Scripts/ECart/Default/ItemWise/ECartSearchOnlineBooks.aspx?ItemId=307>

FAQS ON SECTION 8 COMPANIES**FAQs
on
Section 8 Companies
(Under the Companies Act, 2013)
2nd Edition****About the Book**

Publication titled “Frequently Asked Questions on Section 8 Companies” is prepared to clarify certain questions with respect to the Compliance aspects of section 8 Companies.

Year of Publication: 2023

Price: Rs. 225/-

Weblink for Purchase:

<https://smash.icsi.edu/Scripts/ECart/Default/ItemWise/ECartSearchOnlineBooks.aspx?ItemId=287>

❖ Market Watch**Stock Market Indices as on
20.01.2026**

S & P BSE Sensex	82180.47 (-1.28%)
Nifty 50	25232.50 (-1.38%)

Foreign Exchange Rates as on 20.01.2026

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

INR / 1 USD	INR / 1 EUR	INR / 1 GBP	INR / 1 JPY
90.97	105.77	121.88	.57

Prepared by Directorate of Academics

For any suggestions, please write to academics@icsi.edu.

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