



Vision

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

Motto

सत्यं वद। धर्मं चर। इष्टार्थं कुरु त्वापके, प्रामाण्ये, लोकोत्कृष्टोद्गमैश्च

Mission

"To develop high calibre professionals facilitating good corporate governance"

Monday, March 23, 2026

Info Capsule

President

CS Pawan G Chandak

Vice President

CS Dwarakanath C

❖ *Ministry of Finance*

• **Government modifies Mutual Credit Guarantee Scheme to Support MSME Manufacturers and Exporters in line with Budget 2025-26 (March 21, 2026)**

Mutual Credit Guarantee Scheme for MSMEs (MCGS- MSME) was launched in January 2025. The scheme provides 60% guarantee coverage by National Credit Guarantee Trustee Company Limited (NCGTC) to Member Lending Institutions (MLIs) for credit facility upto ₹ 100 crore sanctioned to eligible Micro, Small and Medium Enterprises (MSMEs) under MCGS-MSME for purchase of equipment/ machinery. Based on the feedback received from the MSMEs and lending institutions, some modifications have been done. Modifications in the existing "MCGS-MSME" scheme:

- Upfront Contribution: 5% Upfront contribution made refundable, 1% each from 4th year onwards, subject to satisfactory performance of loan account.
- Eligibility: Service Sector MSMEs also included in the Scheme.
- Minimum project cost towards Machinery / Equipment: Cost of equipment/ machinery reduced upto 60% of project cost (from earlier 75%).
- Guarantee Tenure: Guarantee to expire after 10 years.

For details:

<https://www.pib.gov.in/PressReleasePage.aspx?PRID=2243388®=3&lang=1>

• **Government introduces Credit Guarantee Scheme for Microfinance Institutions-2.0 (CGSMFI-2.0) (March 21, 2026)**

The Government of India has introduced Credit Guarantee Scheme for Microfinance Institutions-2.0 (CGSMFI-2.0). The scheme aims to provide guarantee cover to Banks/ FIs through National Credit Guarantee Trustee Company Limited (NCGTC) against expected losses on the financial assistance extended by them to Non-Banking Financial Company-Microfinance Institutions (NBFC-MFIs) and MFIs for on lending to small borrowers. The Salient features of the scheme are:

- Eligible borrowers: Existing or new small borrowers within the regulatory definition of micro finance as prescribed by RBI from time to time.
- Guarantee coverage: 80% of amount in default for small, 75% for medium and 70% for large NBFC-MFIs/ MFIs.
- Guarantee Fee: 0.50% p.a., on sanctioned amount (1st year) & outstanding amount (thereafter).
- Interest Rate: Capped at EBLR or MCLR + 2% p.a., on loans by MLIs to NBFC-MFIs or MFIs. While on-lending to small borrowers, these lenders shall cap the interest rate at 1% below the average rate of lending in past 6 months.

For details:

<https://www.pib.gov.in/PressReleasePage.aspx?PRID=2243314®=3&lang=1>

❖ *Direct Tax*

Government notifies new Income Tax Rules 2026 (March 21, 2026)

The Government has notified the Income Tax Rules, 2026, which will come into effect from the 1st of next month. The new rules aim to enhance compliance through stricter disclosures while simplifying tax procedures by reducing the number of rules. The rules mark a major overhaul of procedural and compliance systems under direct taxation. The Ministry of Finance has informed that the rules implement provisions of the Income-tax Act, 2025, replacing older procedural systems and incorporating updated definitions, compliance structures, and new reporting mechanisms. The Ministry added that the Income Tax Rules, 2026, have also strengthened stock exchange compliances. The Income Tax Rules, 2026, aim to enhance transparency, digitisation, and standardisation across the taxation system.

For details:

<https://www.newsonair.gov.in/government-notifies-new-income-tax-rules-2026-for-stricter-compliance/>

❖ **Capital Market and Securities Laws**

Master Circular for Mutual Funds (March 20, 2026)

The SEBI (Mutual Funds) Regulations, 2026 has been notified and the same shall come into force with effect from April 01, 2026. For effective regulation of Mutual Fund Industry, SEBI has been issuing various circulars from time to time. In order to enable the stakeholders to have an access to all the applicable regulatory requirements at one place, the provisions of the said circulars issued till March 31, 2024 were incorporated in the Master Circular for Mutual Funds dated June 27, 2024. Subsequently, various guidelines/directions were issued to Mutual Funds by way of circulars/letters. In order to enhance readability and aid in ease of compliance, the Master Circular for Mutual Funds has been updated, in line with the SEBI (Mutual Funds) Regulations, 2026 and includes all relevant circulars issued to Mutual Funds till March 20, 2026.

For details: https://www.sebi.gov.in/legal/master-circulars/mar-2026/master-circular-for-mutual-funds_100491.html

❖ **Ministry of Power**

Bharat Electricity Summit 2026 Concludes with Strong Global Participation, Actionable Outcomes, and Roadmap for a Resilient, Future-ready Power Sector (March 22, 2026)

The maiden edition of the Bharat Electricity Summit (BES) concluded successfully, bringing together policymakers, global experts, industry leaders, investors, and innovators to deliberate on the future of the power sector and accelerate the global clean energy transition. The Summit witnessed wide-ranging discussions, high-level bilateral engagements, and significant business interactions, reinforcing India's leadership in the global energy ecosystem. The Summit witnessed an exceptional response, with over 35,000 exhibition attendees, 28 States / Union Territories, 200+ exhibiting companies including 80+ Start-ups, 6,000+ delegates, 300+ speakers, and 100+ conference sessions, reflecting its scale and global significance. Drawing inspiration from the Prime Minister's vision, India continues to advance rapidly towards achieving 500 GW of non-fossil fuel capacity by 2030, having already crossed the milestone of over 50% non-fossil capacity. Initiatives such as *One Sun, One World, One Grid* further underscore India's commitment to global energy cooperation.

For details: <https://www.pib.gov.in/PressReleasePage.aspx?PRID=2243591®=3&lang=1>

❖ **Business & Economy**

Lok Sabha refers Corporate Laws (Amendment) Bill to Joint Parliamentary Committee for further scrutiny (March 23, 2026)

The Corporate Laws (Amendment) Bill, 2026 has been referred to the Joint Parliamentary Committee (JPC) for further scrutiny. After introducing the Bill in the Lok Sabha, Union Finance Minister Smt. Nirmala Sitharaman proposed to send the Bill to the JPC for detailed analysis. The House gave its nod to refer the bill to the Joint Committee.

For details: <https://www.newsonair.gov.in/fm-nirmala-sitharaman-to-introduce-corporate-laws-amendment-bill-2026-in-the-lok-sabha-today/>

❖ **Market Watch**

Stock Market Indices as on 23.03.2026		Foreign Exchange Rates as on 23.03.2026 <i>(https://m.rbi.org.in/scripts/ReferenceRateArchive.aspx)</i>			
S & P BSE Sensex	72,696.39 (-2.46%)	INR / 1 USD	INR / 1 EUR	INR / 1 GBP	INR / 1 JPY
Nifty 50	22,512.65 (-2.60%)	93.89	108.22	124.81	.58

❖ **Pronouncement**

March 19, 2026	Sant Rohidas Leather Industries And Charmakar Development Corporation Ltd. {Appellant (s)} Versus Vijaya Bank {Respondent (s)}	Supreme Court of India Civil Appeal No.4841 of 2023
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Whether a Transaction is for a Commercial Purpose would depend upon the Facts and Circumstances of Each Case under Consumer Protection Act.

Brief Facts

The Appellant, a company incorporated, filed a consumer complaint against Vijaya Bank³ (the Respondent), *inter alia*, alleging that it had invested a sum of Rs.9 Crores, by way of a fixed deposit, with the Bank, for a period of one year, w.e.f. 28.02.2014, and evidencing the transaction a fixed deposit receipt dated 03.03.2014 was issued to the appellant and even interest payable on the said FDR was credited in the account of the appellant on 26.03.2014 after deducting TDS⁵. However, on 27.06.2014, the appellant received a letter from the Bank about sanction of a loan/credit facility/overdraft of Rs. 8.10 Crores against the FDR. Suspecting foul play in sanction of loan/ credit facility/ overdraft against the FDR, the appellant lodged a complaint with the Economic Offences Wing, Crime Branch, Mumbai on 16.07.2014. A letter was also sent to the Bank to reverse the entries *qua* the fraudulent overdraft account. The Bank, however, did not accede to the request. The Appellant did not accept the adjustment and filed a complaint before the NCDRC seeking refund of the entire deposit with interest and compensation. The NCDRC dismissed the complaint holding that the appellant was not a consumer under the Consumer Protection Act as the deposit had a commercial purpose. Aggrieved, the Appellant approached the Supreme Court.

Judgement

Hon'ble Apex Court examined the expression 'person' used in Section 2(1) (d) is defined in Section 2(1)(m) of the 1986 Act. Construing the definition of 'person' as provided in Section 2(1)(m) of the 1986 Act, Supreme Court in ***Karnataka Power Transmission Corporation & Another v. Ashok Iron Works Pvt. Ltd.*** (2009) 3 SCC 240, paragraph 21 held that the definition of person is inclusive and not exhaustive and it would include a body corporate.

Supreme Court referred to the case of ***Lilavati Kirtilal Mehta Medical Trust vs Unique Shanti Developers and others*** (2020) 2 SCC 265 where in Supreme Court observed that there could be no straitjacket formula for determining whether an activity or transaction is for a commercial purpose. Yet, by way of guidelines, certain principles were summarised in paragraph 19 of the judgment, which is reproduced below:

"19. To summarize from the above discussion, though a straightjacket formula cannot be adopted in every case, the following broad principles can be culled out for determining whether an activity or transaction is "for a commercial purpose."

19.1 The question of whether a transaction is for a commercial purpose would depend upon the facts and circumstances of each case. However, ordinarily, "commercial purpose" is understood to include manufacturing/ industrial activity or business-to business transactions between commercial entities.

19.2 The purchase of the good or service should have a close and direct nexus with a profit-generating activity.

19.3 The identity of the person making the purchase or the value of the transaction is not conclusive to the question of whether it is for a commercial purpose. It has to be seen whether the dominant intention or dominant purpose for the transaction was to facilitate some kind of profit generation for the purchaser and/or their beneficiary.

19.4 If it is found that the dominant purpose behind purchasing the good or service was for the personal use and consumption of the purchaser and/or their beneficiary, or is otherwise not linked to any commercial activity, the question of whether such a purchase was for the purpose of 'generating livelihood by means of self-employment' need not be looked into."

Court said that the burden to prove that the goods purchased, or services availed, as the case may be, is for a commercial purpose is on the respondent and not the complainant.

Supreme Court held that the complaint allegations as they stand cannot be adjudicated upon in a proceeding under the 1986 Act as those allegations could appropriately be addressed in a regular criminal or civil proceeding. Hence, the complaint as framed is not maintainable.

For details: https://www.sci.gov.in/view-pdf/?diary_no=223132023&type=j&order_date=2026-03-19&from=latest_judgements_order

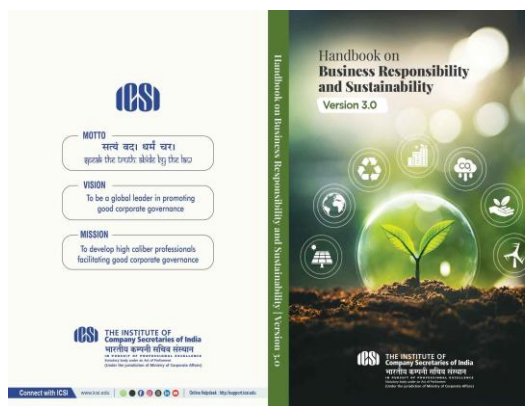
❖ ESG Update

Unilever - Environmental Material Impacts, Risks and Opportunities

- Company reviewed the risk management framework for each principal risk, including Climate and Nature (covering biodiversity and water scarcity) and Plastic Packaging (covering circular economy), detailing the risk descriptions and mitigating controls in place.
- Company reviewed its manufacturing sites, offices and logistics network, considering all available environmental data.
- Company undertook a top-down analysis of Unilever's nature-related impacts, risks and opportunities and dependencies in 2024, including risks that are systemic.
- Company updated its quantitative scenario analysis in 2025 to consider most material climate and nature risks and drivers, recognising their interconnectivity.
- Company conducted risk assessments on new ingredients before they are introduced to the market.

For details: <https://www.unilever.com/files/unilever-annual-report-and-accounts-2025.pdf#page=216>

HANDBOOK ON BUSINESS RESPONSIBILITY AND SUSTAINABILITY VERSION 3.0



Year of Publication: 2025

Price: Rs. 400/-

For Subscription:

<https://smash.icsi.edu/Scripts/ECart/Default/ItemWiseECartSearchOnlineBooks.aspx?ItemId=391>

STAKEHOLDER ENGAGEMENT TOOLKIT ON ESG - OCT 25



Year of Publication: 2025

Price: Rs. 250/-

For Subscription:

<https://smash.icsi.edu/Scripts/ECart/Default/ItemWiseECartSearchOnlineBooks.aspx?ItemId=392>

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