

Info Capsule

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President

CS Devendra V. Deshpande



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❖ **International News**

India defends decision to ban rice, wheat exports at WTO meeting (September 22, 2022)

India has defended its decision to ban export of wheat and rice at a WTO meeting even as some member countries have flagged concerns over the country's stand, an official said. At a meeting last week in Geneva, Senegal, the US and the European Union raised questions over this decision, stating it could have adverse implications on global markets.

In May, India restricted export of wheat to enhance domestic availability. This month, it also banned export of broken rice and imposed a 20 per cent export duty on non-Basmati rice except for parboiled rice to boost domestic supplies amid a fall in area under paddy crop in the current kharif season.

For details:

https://www.business-standard.com/article/current-affairs/india-defends-decision-to-ban-rice-wheat-exports-at-wto-meeting-122092200440_1.html

❖ **Banking and Insurance**

• **IBA forms key working group of banks on sustainability (September 23, 2022)**

In a first, the Indian Banks' Association (IBA) has set up a large working group, comprising representatives of about a dozen-and-a-half key banks, solely for handling issues covering the entire spectrum of sustainability and green financing, in light of the growing importance of this segment in the financial sector. This working group will play an important role in firming up recommendations on sustainability finance and could be a useful tool for authorities ahead of India's G20 presidency in December, where Environmental, Social And Governance (ESG) issues will be a major talking point among participating countries.

For details:

<https://www.financialexpress.com/industry/banking-finance/iba-forms-key-working-group-of-banks-on-sustainability/2687854/>

• **Rupee hits new low vs USD on hawkish Fed; poll shows currency at 81 by December (September 23, 2022)**

The rupee on September 22, 2022 hurtled to a new low against the dollar, weakening 1.1 per cent, as the Federal Reserve (Fed) on September 21, 2022 not only raised interest rates but signalled a longer monetary tightening cycle than was expected earlier. After suffering its steepest single-day fall since the Ukraine war broke out, the rupee settled at 80.87 as against 79.98 at the previous close. The domestic currency has depreciated 8 per cent so far in 2022.

For details:

https://www.business-standard.com/article/finance/rupee-sinks-to-new-low-suffers-worst-single-day-fall-since-ukraine-war-122092201032_1.html

❖ **Securities Laws & Capital Markets**

SEBI Circulars

• **Issue and listing of Commercial Paper by listed REITs/InvITs (September 22, 2022)**

SEBI vide its two separate circulars has provided that, REITs/InvITs may issue listed commercial papers subject to that REITs/InvITs shall abide by the guidelines prescribed by Reserve Bank of India for issuances of commercial papers and shall abide by the conditions of listing norms prescribed by SEBI under SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021 and circulars issued thereunder. Further provided that, the issuance of listed CPs shall be within the overall debt limit permitted under SEBI (Real Estate Investment Trusts) Regulations, 2014 and SEBI (Infrastructure Investment Trusts) Regulations, 2014.

For details:

https://www.sebi.gov.in/legal/circulars/sep-2022/issue-and-listing-of-commercial-paper-by-listed-reits_63264.html

https://www.sebi.gov.in/legal/circulars/sep-2022/issue-and-listing-of-commercial-paper-by-listed-invits_63263.html

SEBI News

• **SEBI may step up disclosure requirements for IPOs of new-age companies (September 23, 2022)**

The Securities and Exchange Board of India (SEBI) is planning to step up disclosure requirements for initial public offerings (IPOs) of new-age companies. The SEBI may also bring transactions in mutual fund (MF) units under the purview of insider trading regulations, the report noted, adding that the decisions could be taken at SEBI's board meeting scheduled for September 30, 2022. SEBI is likely to mandate companies to provide a relatively detailed explanation of how they price their IPOs, compare pricing to pre-IPO share sales, and disclose all the presentations made to pre-IPO investors. The regulator may also ask companies to provide key performance indicators (KPIs) in their offer documents.

For details:

<https://www.moneycontrol.com/news/business/ipo/sebi-may-beef-up-disclosure-requirements-for-ipos-of-new-age-companies-9218961.html>

❖ **Terminology for today**

Rostow's States of Economic Growth

Rostow's Stages of Economic Growth include the following five stages: **Traditional Society; Preconditions for Take-Off; Take-Off; Drive to Maturity; and Age of High Mass Consumption.** Rostow's model is one of the most significant historical models of economic growth. The model does not include "Postmodern Society.

❖ *Insolvency and Bankruptcy*

Two firms can face IBC proceedings if both are corporate debtors: SC (September 22, 2022)

The Supreme Court on Thursday said if two corporate bodies fall within the ambit of corporate debtors, there is no reason why insolvency proceedings cannot be initiated against both under the IBC. Section 7 of the Insolvency and Bankruptcy Code (IBC) deals with the initiation of the corporate insolvency resolution process by financial creditors.

The apex court also observed that approval of a resolution in respect of one borrower cannot "certainly discharge" a co-borrower. A bench of Justices Indira Banerjee and J K Maheshwari delivered its verdict on a plea against the August last year judgement of the National Company Law Appellate Tribunal (NCLAT) which had dismissed an appeal against an order of the adjudicating authority, the National Company Law Tribunal (NCLT), Mumbai.

The NCLT had in its February last year order admitted a petition for initiation of Corporate Insolvency Resolution Process (CIRP) against a firm for the same set of loans arising out of the same loan documents, in respect of which the financial creditor had initiated CIRP against another company.

For details:

https://www.business-standard.com/article/companies/two-firms-can-face-ibc-proceedings-if-both-are-corporate-debtors-sc-122092201075_1.html

❖ *Market Watch*

Stock Market Indices as on 23.09.2022	
S & P BSE Sensex	58098.92 (-1020.80)
Nifty 50	17327.35 (-302.45)

Foreign Exchange Rates as on 22.09.2022 (https://www.geojit.com/currency-futures)			
INR / 1 USD	INR / 1 EUR	INR / 1 GBP	INR / 1 JPY
79.62	78.85	90.22	0.55

Prepared by Directorate of Academics

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

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