



Vision

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

Motto

सत्यं वद। धर्मं चर। इष्टार्थं कुरु। पारद्वयं लोकेऽहोपकारदद

Mission

"To develop high calibre professionals facilitating good corporate governance"

Friday, June 05, 2026

Info Capsule

President

CS Pawan G Chandak

Vice President

CS Dwarakanath C

❖ *Ministry of Finance*

In a major reform, Government announces measures to deepen G-Sec market and facilitate greater Foreign Portfolio Investment (FPI) in equity segment (June 05, 2026)

In line with the Government's commitment to strengthen India's position as a leading global investment destination and to deepen the capital market, the Ministry of Finance has taken a series of measures aimed at enhancing the ease of investment for individual Persons Resident Outside India (PROIs) and Foreign Portfolio Investors (FPIs), and to attract stable long-term foreign capital flows.

The Union Minister for Finance and Corporate Affairs announced in the Union Budget FY2026-27 that individual Persons Resident Outside India (PROI) will be permitted to invest in equity instruments of listed Indian companies through the Portfolio Investment Scheme which was hitherto available only to NRIs/OCIs; and the investment limit will be increased for an individual PROI under this scheme from 5% to 10% in any company, with an overall investment limit for all individual PROIs to 24%, from the current 10%.

Department of Economic Affairs (DEA) is notifying the Foreign Exchange Management (Non-Debt Instruments) (Third Amendment) Rules, 2026.

This notification will facilitate a more proactive mobilisation of foreign portfolio capital by leveraging the existing onboarding systems already in place for NRI/OCI investors. Simplified onboarding and reduced compliance requirements would further enhance ease of doing business, while attracting a broader base of relatively stable individual foreign investors. This will also support greater and more stable foreign inflows into Indian equity markets.

The Government has decided to rationalise the tax treatment applicable to investments by FPIs in Government Securities, by exempting such investments from income tax on any interest or capital gain. This step will align the taxation on G-Secs with many comparable jurisdictions.

The exemption shall be applicable w.e.f. 01.04.2026, i.e. the exemption shall apply to any interest or capital gains arising to FPIs on or after 01.04.2026 in respect of investments in G-Secs.

Similar income-tax exemption is also provided for Bank for International Settlements (BIS) for any interest or capital gains from its investments in G-Secs.

For details:

<https://www.pib.gov.in/PressReleasePage.aspx?PRID=2269169®=48&lang=1>

❖ *Reserve Bank of India*

RBI GDP growth 2026-27: Forecast cut to 6.6% as oil, war and subpar monsoon risks mount (June 05, 2026)

The repo rate remain unchanged at 5.25%. For the upcoming fiscal year, the central bank projects a quarterly growth trajectory of 6.6% in the first quarter, 6.3% in the second quarter, 6.5% in the third quarter, and 6.8% in the fourth quarter. Announcing the Monetary Policy Committee's decision, RBI Governor Sanjay Malhotra emphasized that the Indian economy has so far remained highly resilient despite these intensifying external shocks. This economic durability continues to be anchored by robust domestic drivers, including strong private consumption, steady fixed investment, expanding manufacturing activity, and competitive services exports.

For details:

<https://economictimes.indiatimes.com/news/economy/indicators/rbi-gdp-growth-forecast-fy-2026-27-mpc-meeting-india-economic-outlook-gdp-forecast-india/articleshow/131519300.cms>

❖ *Ministry of Commerce & Industry*

Visit of the delegation from United State (U.S.) for discussions on Bilateral Trade Agreement (BTA) between India and the United States from 1 -4th June 2026 at Delhi (June 04, 2026)

India and the United States issued a Joint Statement on 7th February 2026 agreeing on a framework for an Interim Agreement regarding reciprocal and mutually beneficial trade. The framework reaffirmed the countries' commitment to the broader India-U.S. Bilateral Trade Agreement negotiations. A delegation from the Office of the United States Trade Representative (USTR), led by the Chief Negotiator, visited India from 1-4 June 2026 to advance discussions on the Trade Agreement. During the visit, the teams held constructive and positive discussions across a wide range of issues covering Trade in Goods, Non-Tariff Measures, Customs and Trade Facilitation, Economic Security Alignment and other areas of mutual interest.

The engagements were marked by a spirit of cooperation and pragmatism, with both sides reaffirming their commitment to concluding a mutually beneficial agreement that strengthens bilateral trade and economic ties.

For details:

<https://www.pib.gov.in/PressReleasePage.aspx?PRID=2269084®=48&lang=1>

❖ *Jan Samarth Portal*

Expanding Access and Bringing Credit Schemes Closer to Citizens (June 05, 2026)

The Government launched the Jan Samarth Portal as a unique digital platform for credit-linked schemes. It is a first of its kind platform which directly connects lenders with beneficiaries. Since its launch on 6 June 2022, the portal has strengthened ease of access to financial assistance through a simplified and technology-driven framework. Jan Samarth streamlines the credit application journey through an integrated and user-friendly digital process. The portal checks eligibility and with advanced technologies also auto-fills required details. It gives in-principle sanction and sends the application with documents to the selected Bank branch via inbuilt automated Business rule engine. It also keeps the beneficiaries updated at each stage of the journey, without necessitating multiple physical visits to bank branches.

Real-time checks across various government databases ensure faster loan processing. Key integration includes Local Government Directory (LGD), UDYAM, Unique Identification Authority of India (UIDAI), AgriStack, Startup Portal of DPIIT, LOKoS, etc. For tax related records Central Board of Direct Taxes (CBDT), Goods and Services Tax (GST) are also linked. Various regulatory and non-governmental sources are also incorporated in the portal. This includes National Securities Depository Limited (NSDL), National E-Governance Services Ltd. (NeSL), CIBIL, National Credit Guarantee Trustee Company (NCGTC) and Credit Guarantee Fund Trust for Micro and Small Enterprises (CGTMSE) etc. Designed as a single-window digital platform, the Jan Samarth Portal is addressing diverse credit requirements. The platform is also expanding opportunities across sectors through efficient and technology-driven ecosystem. Jan Samarth supports entrepreneurs, farmers, small businesses, and livelihood seekers across sectors

For details:

<https://www.pib.gov.in/PressReleasePage.aspx?PRID=2269253®=48&lang=1>

❖ **Pronouncement**

May 08, 2026	<p style="text-align: center;">Manjula and Others {Appellant(s)}</p> <p style="text-align: center;">Versus</p> <p style="text-align: center;">D.A. Srinivas {Respondent(s)}</p>	<p style="text-align: center;">Supreme Court of India Civil Appeal No. 7370 OF 2026 [Arising out of SLP (C) NO. 7924 of 2024] 2026 INSC 465</p>
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Issue for Consideration

Fiduciary Capacity under Prohibition of Benami Transaction Amendment Act 2016.

Legal Provisions

Section 2(9) "benami transaction" means, —

(A) a transaction or an arrangement— (a) where a property is transferred to, or is held by, a person, and the consideration for such property has been provided, or paid by, another person; and (b) the property is held for the immediate or future benefit, direct or indirect, of the person who has provided the consideration, except when the property is held by—

(i) a Karta, or a member of a Hindu undivided family, as the case may be, and the property is held for his benefit or benefit of other members in the family and the consideration for such property has been provided or paid out of the known sources of the Hindu undivided family;

(ii) a person standing in a **fiduciary capacity** for the benefit of another person towards whom he stands in such capacity and includes a trustee, executor, partner, director of a company, a depository or a participant as an agent of a depository under the Depositories Act, 1996 and any other person as may be notified by the Central Government for this purpose;

.....

xx xx xx xx

Judgement

Hon'ble Apex Court inter alia observed that the expression "fiduciary capacity" was not defined in the original enactment. Under the amended provision, however, the explanation refers to a trustee, executor, partner, director of a company, a depository or participant as an agent under the Depositories Act, 1996, and any other persons as may be notified by the Central Government.

Ordinarily, where the legislature employs the word "includes", the definition is prima facie extensive and enlarging. Where the word "means" alone is used, the definition is generally exhaustive. Where the expression "means and includes" is employed, the definition is ordinarily exhaustive while also clarifying its scope. However, even where only the word "includes" is used, the context, object of the statute, and the structure of the provision may indicate a restrictive or exhaustive intention. Supreme Court inter alia referred to the case of *South Gujarat Roofing Tiles Manufacturers Association and another v. State of Gujarat and another (1976) 4 SCC 601: AIR 1977 SC 90*, a Bench of three Judges held that though "includes" is commonly used as a word of extension, it may, in a given statutory context, be construed in a restrictive sense where such interpretation alone advances the legislative intent..... .

In *Associated Indem Mechanical (P) Ltd. v. W.B. Small Industries Development Corpn. Ltd. and Others (2007) 3 SCC 607: AIR 2007 SC 788*, it was observed that whether the term "includes" is expansive or restrictive depends upon the purpose, context, and scheme of the enactment..... .

In *N.D.P. Namboodripad (Dead) by LRs. v. Union of India and Others (2007) 4 SCC 502*, this Court held that although "includes" is generally a word of enlargement, in certain contexts, it may also signify "means and includes", "comprises" or "consists of". The following paragraph is pertinent:

"18. The word "includes" has different meanings in different contexts. Standard dictionaries assign more than one meaning to the word "include". Webster's Dictionary defines the word "include" as synonymous with "comprise" or "contain". Illustrated Oxford Dictionary defines the word "include" as: (i) comprise or reckon in as a part of a whole; (ii) treat or regard as so included..... ."

Court said that in the present case, while explaining the category of persons standing in a fiduciary capacity, the legislature has specified identifiable classes such as trustee, executor, partner, director, depository participant, and has further expressly reserved power to the Central Government to notify additional categories. The conferment of such specific delegated power is a significant indicator that enlargement beyond the enumerated classes was intended to occur through notification rather than unrestricted judicial expansion.

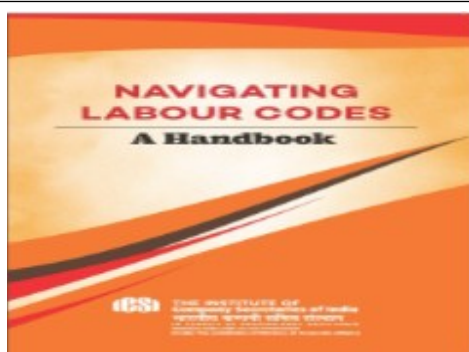
Supreme Court held that for the purposes of the Act, the expression "fiduciary capacity" must receive a restricted and controlled construction. Persons expressly enumerated would undoubtedly fall within the exception, and any additional category would ordinarily require notification by the Central Government. In the absence thereof, the scope of the exception cannot be widened merely on equitable considerations.

For details: https://api.sci.gov.in/supremecourt/2024/13889/13889_2024_7_1501_71025_Judgement_08-May-2026.pdf

❖ **ESG Update****Tech Mahindra - Climate Change Strategy**

Tech Mahindra is deeply committed to sustainability aligning business strategies with climate resilience, energy efficiency, waste and emissions reduction. By adopting clean technology solution, company strives to reduce environmental footprint while creating a lasting positive impact. As part of commitment, to a just and inclusive transition to a low-carbon economy, Tech Mahindra provides targeted training programs aimed at mitigating the potential negative impacts of climate transition on its workforce. These initiatives are designed to build resilience, enhance adaptability, and equip associates with the skills required for emerging green technologies and sustainable practices. The programs include upskilling and reskilling modules focused on climate literacy, energy efficiency, sustainable operations, and digital solutions that support environmental goals. Company also engage employees in awareness sessions on the evolving regulatory landscape, green job opportunities, and the role of individuals in supporting the company's decarbonization journey. By proactively preparing, workforce for the demands of a changing climate, company aims to ensure long-term employability, foster innovation, and support inclusive growth aligned with global climate action goals.

For details: <https://insights.techmahindra.com/investors/esg-report-fy2024-25.pdf>

**NAVIGATING LABOUR CODES**

Year of Publication: December 2025

Price: Rs. 300 /-

Weblink for Purchase:

<https://smash.icsi.edu/Scripts/ECart/Default/ItemWiseECartSearchOnlineBooks.aspx?ItemId=394>

**MSME READY RECKONER-2.0-DEC 25**

Year of Publication: 2025

Price: Rs. 400/-

Weblink for Purchase:

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

❖ **Market Watch****Stock Market Indices as on 05.06.2026**

S & P BSE Sensex	74,243.34 (-0.16%)
Nifty 50	23,366.70 (-0.21%)

Foreign Exchange Rates as on 05.06.2026

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

INR / 1 USD	INR / 1 EUR	INR / 1 GBP	INR/ 1 JPY
95.39	110.83	128.10	.59

Prepared by Directorate of Academics & Research

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

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