



Vision

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

Motto

सत्यं वद। धर्मं चर। इष्टार्थं कुरु। तृणान् न च्छेद।

Mission

"To develop high calibre professionals facilitating good corporate governance"

Thursday, May 21, 2026

Info Capsule

President

CS Pawan G Chandak

Vice President

CS Dwarakanath C

❖ *Ministry of Commerce & Industry*

INDEX OF EIGHT CORE INDUSTRIES (BASE YEAR: 2011-12=100) FOR APRIL, 2026 (May 20, 2026)

The Index of Eight Core Industries (ICI), which comprises 40.27 percent of the Index of Industrial Production (IIP), grew by 1.7 percent in April 2026 compared to April 2025, supported by a 2.7 percent cumulative growth rate during the 2025-26 fiscal year. This overall expansion was driven by positive production growth in cement (9.4%), steel (6.2%), and electricity (4.1%). Conversely, the remaining five sectors experienced contractions, with coal and fertilizers seeing the sharpest declines at 8.7 percent and 8.6 percent respectively, while crude oil, natural gas, and refinery products recorded milder drops. This divergent performance highlights a clear divide between expanding infrastructure components and struggling energy and agricultural inputs within the core sector.

For details:

<https://www.pib.gov.in/PressReleasePage.aspx?PRID=2263287®=3&lang=1>

❖ *Views/ Comments sought by Regulators*

Consultation Paper on Draft Circular for Enabling Third Party Payments in Mutual Funds in certain scenarios (May 20, 2026)

SEBI has placed this consultation paper with the objective to seek comments or views from the public on the draft circular proposing to permit third party payment in Mutual Funds in certain scenarios with adequate safeguards in place. The current regulatory framework mandates that all payments for investments in Mutual Funds must originate directly from the investor's own bank account and be routed exclusively through RBI-authorized payment aggregators or SEBI-recognized clearing corporations. The aforesaid framework is stipulated under clause 17.4 of the Master Circular for Mutual Funds dated March 20, 2026 in which it is inter-alia stated that in order to mitigate the third party payment risks, Asset Management Companies (AMCs) must ensure compliance with Prevention of Money Laundering Act (PMLA), verify that source bank account belongs to the unitholder and use payment modes with independent traceability. Further, all pay-outs are required to be credited to the investors' verified bank accounts, thereby ensuring maintenance of a full audit trail. Pursuant to the issuance of the above framework, requests have been made by the Mutual Fund industry to relax the extant conditions for third party payments in certain cases such as payment of salaries by employers, payment of commissions by AMCs etc. with adequate safeguards in place. In view of the above, the issue was discussed in the Mutual Fund Advisory Committee (MFAC) and based on the committee's recommendations and internal deliberations, it is proposed to enable third-party payments in certain scenarios. The Draft Circular in this regard is placed at Annexure A to this consultation paper. The comments or suggestions should be submitted latest by June 10, 2026.

For details: https://www.sebi.gov.in/reports-and-statistics/reports/may-2026/consultation-paper-on-draft-circular-for-enabling-third-party-payments-in-mutual-funds-in-certain-scenarios_101534.html

❖ *ESG*

Tata Project ESG Approach

Tata Group's Project Aalingana: Driving Net Zero by 2045; Pioneering Circular Economies; Preserving Nature and Biodiversity. Tata Projects aims for a 25% reduction in Scope 1 and 2 emissions by 2030 and to achieve Net Zero by 2045 to meet these ambitious targets. This decarbonisation roadmap incorporates a structured approach, including peer benchmarking, robust GHG inventory, and the implementation of strategic levers like fuel switching and equipment electrification

For details: <https://tataprojects.com/annual-report/24-25/fy2025-highlights.html#Environment>

❖ **Insolvency and Bankruptcy Board of India**

• **IBBI publishes syllabus, format, frequency and other details of Valuation Examinations (May 20, 2026)**

In pursuance of the rule 5 (3) of the Companies (Registered Valuers and Valuation) Rules, 2017, the IBBI vide press release dated 20th May, 2026 publishes the syllabus and format of the 'Valuation Examinations' to be conducted from 21st August 2026 for the following asset classes:

- Land and Building
- Plant and Machinery
- Securities or Financial Assets

Format and frequency of Examination is also specified in the said press release.

For details: <https://ibbi.gov.in/uploads/press/943997ca0a413c95309187fe9f948dc5.pdf>

• **IBBI (Pre-Packaged Insolvency Resolution Process) (Second Amendment) Regulations, 2026 (May 20, 2026)**

IBBI (Pre-Packaged Insolvency Resolution Process) (Second Amendment) Regulations, 2026 notified on 19th May, 2026 amended the provisions of Regulations 38 and 39 of the IBBI (Pre-Packaged Insolvency Resolution Process) Regulations, 2021 governing the provisions related to appointment of registered valuers.

For details: <https://ibbi.gov.in/uploads/legalframework/1aa5e92f1d58f61e97a6875410e0acca.pdf>

• **IBBI (Liquidation process) (Third Amendment) Regulations, 2026 (May 20, 2026)**

IBBI (Liquidation Process) (Third Amendment) Regulations, 2026 notified on 19th May, 2026 amended the provisions of Regulation 35 of the IBBI (Liquidation Process) Regulations, 2016 governing the provisions related to appointment of registered valuer in case of corporate debtor classified as a micro, small or medium enterprise under section 7(1) of MSMEs Development Act, 2006.

For details: <https://ibbi.gov.in/uploads/legalframework/070a4d880f23417b201f464f9ee85025.pdf>

❖ **Competition Commission of India (CCI)**

• **CCI approves proposed acquisition of Baharampore - Farakka Highways Limited, Devanahalli Tollway Private Limited, Western MP Infrastructure and Toll Roads Private Limited and Chenani Nashri Tunnelway Limited by Cube Highways Trust (May 20, 2026)**

The proposed combination relates to acquisition of 100% of the equity share capital of: (i) Baharampore-Farakka Highways Limited (BFHL), (ii) Devanahalli Tollway Private Limited (DTPL), (iii) Western MP Infrastructure and Toll Roads Private Limited (WMPTL), and (iv) Chenani Nashri Tunnelway Limited (CNTL) by the Cube Highways Trust (Cube Trust) (BFHL, DTPL, WMPTL and CNTL are collectively the 'Target SPVs'). The Cube Trust is an infrastructure investment trust (InvIT) registered with the Securities and Exchange Board of India (SEBI) under the SEBI (Infrastructure Investment Trusts) Regulations, 2014.

For details: <https://www.cci.gov.in/media-gallery/press-release/details/655/0>

• **Commission approves the acquisition of a certain stake of Restaurant Brands Asia Limited (Target) by Lenexis Foodworks Private Limited (LFPL), Aayush Agrawal Trust (AAT), Inspira Foodworks Private Limited (IFPL), Aayush Madhusudan Agrawal (AMA), and Inspira Agro Trading LLC (IATL) (May 20, 2026)**

The Proposed Combination involves the acquisition of a certain stake of the Target by LFPL, AAT, IFPL, AMA, and IATL, through various steps involving equity subscriptions, warrant subscriptions, equity purchases, and an open offer. LFPL is engaged in the quick service restaurant (QSR) business and operates restaurants pan India under the brands 'Chinese WOK', 'The Momo Co', and 'Big Bowl Co'. AAT is a discretionary private trust settled under a trust deed in accordance with the provisions of the Indian Trusts Act, 1882. AAT is the primary investment vehicle for AMA and his family and is managed and operated by AMA as the sole trustee thereof.

For details: <https://www.cci.gov.in/media-gallery/press-release/details/654/0>

❖ **Pronouncement**

May 08, 2026	Manjula and Others {Appellant(s)} Versus D.A. Srinivas {Respondent(s)}	Supreme Court of India Civil Appeal No. 7370 OF 2026 [Arising out of SLP (C) NO. 7924 of 2024] 2026 INSC 465
---------------------	---	---

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"

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

❖ **Market Watch**

Stock Market Indices as on 21.05.2026	
S & P BSE Sensex	75183.36(-0.18%)
Nifty 50	23654.70(-0.02%)

Foreign Exchange Rates as on 21.05.2026 <i>(https://m.rbi.org.in//scripts/ReferenceRateArchive.aspx)</i>			
INR / 1 USD	INR / 1 EUR	INR / 1 GBP	INR / 1 JPY
96.31	111.93	129.39	.60

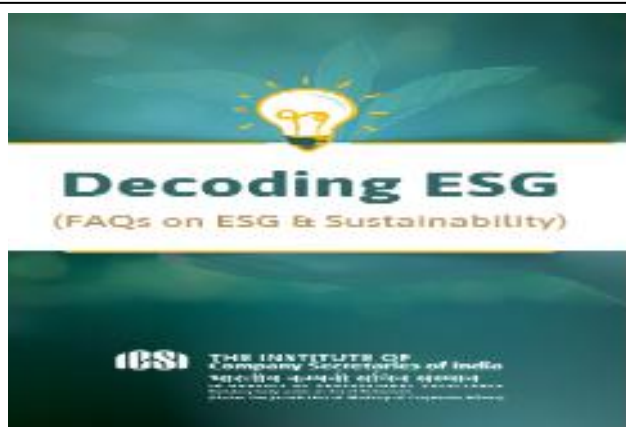
❖ Reserve Bank of India

RBI Issues Revised Draft Amendment Directions on 'Conduct of Regulated Entities in Recovery of Loans and Engagement of Recovery Agents' (May 20, 2026)

In pursuance of the announcement made in the Statement on Developmental and Regulatory Policies dated February 6, 2026, the Reserve Bank of India had issued the draft Amendment Directions on 'Conduct of Regulated Entities in Recovery of Loans and Engagement of Recovery Agents' for public comments on February 12, 2026. Substantial feedback has been received from stakeholders on the draft Amendment Directions, which has resulted in changes in many key draft provisions. Feedback has also been submitted by stakeholders regarding regulatory enablement to the lenders to deploy technology-based mechanisms, which restrict or disables some of the functionalities of a financed mobile device such as mobile phone, tablet, etc., to recover loan dues from the borrower in cases of default. The published draft Amendment Directions have been suitably amended to incorporate the accepted feedback. It has now been decided to issue revised draft Amendment Directions for another round of public consultation.

Accordingly, the Reserve Bank of India has today issued revised draft Amendment Directions for public comments.

For Details: https://rbi.org.in/Scripts/BS_PressReleaseDisplay.aspx?prid=62776



Decoding ESG(FAQs On ESG & Sustainability) - July 25

Publication & Author: ICSI

Year of Publication: 2025

Price: Rs. 120/-

Weblink for Purchase:

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



Model Governance Code For Meetings

Publication & Author: ICSI

Year of Publication: 2025

Price: Rs. 55/-

Weblink for Purchase:

<https://smash.icsi.edu/Scripts/ECart/Default/ItemWiseECartSearchOnlineBooks.aspx?ItemId=372>

Prepared by Directorate of Academics & Research

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

Disclaimer: Although due care and diligence have been taken in preparation and uploading this info capsule, the Institute shall not be responsible for any loss or damage, resulting from any action taken on the basis of the contents of this info capsule. Anyone wishing to act on the basis of the material contained herein should do so after cross checking with the original source.