

# Info Capsule

Tuesday  
January 04, 2022

**President : CS Nagendra D. Rao**

**Vice President : CS Devendra V. Deshpande**

## ❖ Latest @ ICSI

### 49th NATIONAL CONVENTION OF COMPANY SECRETARIES REGISTRATION OPEN FOR VIRTUAL PARTICIPATION

The most awaited annual event of the Institute i.e. the 49th National Convention of Company Secretaries is scheduled to be held from 6th to 8th January, 2022 at The Bangalore Palace, Bengaluru on the theme "Good Governance: The Universal Dharma".

We wish to inform you that the Registration for virtual participation has commenced on December 31, 2021. The members and students joining in virtual mode shall be awarded 10 Structured CPE Credits and 24 PDP Hours respectively.

*For details:*

[https://www.icsi.edu/media/webmodules/01012021\\_49\\_NC\\_Virtual\\_Registration\\_Open.pdf](https://www.icsi.edu/media/webmodules/01012021_49_NC_Virtual_Registration_Open.pdf)



THE INSTITUTE OF  
Company Secretaries of India  
भारतीय कम्पनी सचिव संस्थान  
IN PURSUIT OF PROFESSIONAL EXCELLENCE  
Statutory body under an Act of Parliament  
(Under the jurisdiction of Ministry of Corporate Affairs)



## ❖ Banking & Insurance

### • **RBI releases Framework for Facilitating Small Value Digital Payments in Offline Mode (January 03, 2022)**

The Reserve Bank has placed on its website the 'Framework for facilitating small value digital payments in offline mode'. The framework incorporates the feedback received from the pilot experiments on offline transactions conducted in different parts of the country during the period from September 2020 to June 2021. Offline mode of payment can be enabled only after obtaining specific consent of the customer. Customers shall enjoy protection under the provisions of circulars limiting customer liability issued by Reserve Bank (as amended from time to time). Customers also have recourse to the Reserve Bank – Integrated Ombudsman Scheme for grievance redress. Offline transactions are expected to give a push to digital transactions in areas with poor or weak internet or telecom connectivity, particularly in semi-urban and rural areas. The new framework is applicable with immediate effect.

*For details:*

[https://www.rbi.org.in/Scripts/BS\\_PressReleaseDisplay.aspx?prid=53038](https://www.rbi.org.in/Scripts/BS_PressReleaseDisplay.aspx?prid=53038)

### • **Insurance Regulatory and Development Authority of India (IRDAI)- Press release on Covid-19- (January 03, 2022)**

The Press release of April 01, 2020 clarified that all the indemnity based health insurance products that cover the treatment costs of hospitalization offered by all general and health insurance companies cover the costs of hospitalization treatment on account of Covid -19. In the wake of recent instances of spread of Covid-19 cases being reported under Omicron variant, it is clarified that all health insurance policies issued by all general and health insurance companies that cover treatment costs of Covid-19 also cover the costs of treatment towards Omicron variant of Covid-19 as per terms and conditions

of policy contract. The hospitals are also requested to honour the Service Level Agreements (SLA) that have been entered with insurance companies for the purpose of providing cashless treatment to health insurance policyholders.

*For details:*

[https://www.irdai.gov.in/ADMINCMS/cms/whatsNew\\_Layout.aspx?page=PageNo4621&flag=1](https://www.irdai.gov.in/ADMINCMS/cms/whatsNew_Layout.aspx?page=PageNo4621&flag=1)

- **Exposure Draft- Guidelines on Remuneration of Non-Executive Directors and Managing Director/Chief Executive Officer/Whole-time Directors of Insurance companies (January 03, 2022)**

In order to ensure sound remuneration or compensation practices and avoid situations resulting from excessive risk taking behaviour due to inappropriate compensation structures or incentive plans and also taking into account the experience of past 5 years, it is proposed to replace the extant guidelines on remuneration of non-executive directors and managing director /chief executive officer/ whole-time director of insurers. All are requested to offer their comments / suggestions on the proposed guidelines. The comments / suggestions should reach in the specified format by 19th January, 2022 to Ms. Shruti Srivastava by e-mail at [shruti.srivastava@irdai.gov.in](mailto:shruti.srivastava@irdai.gov.in) and a copy at [rksharma@irdai.gov.in](mailto:rksharma@irdai.gov.in).

*For details:*

[https://www.irdai.gov.in/ADMINCMS/cms/whatsNew\\_Layout.aspx?page=PageNo4622&flag=1](https://www.irdai.gov.in/ADMINCMS/cms/whatsNew_Layout.aspx?page=PageNo4622&flag=1)

- **IRDAI to modify norms for remuneration of CEOs, directors of pvt insurers (January 03, 2022)**

Regulator IRDAI on January 03, 2022 came out with guidelines to ensure orderly development of the surety insurance business and surety bonds market. The IRDAI (Surety Insurance Contracts) Guidelines, 2022 will come into effect from April 1, 2022, the regulator said in a notification.

*For details:*

[https://www.business-standard.com/article/companies/irdai-to-modify-norms-for-remuneration-of-ceos-directors-of-pvt-insurers-122010301361\\_1.html](https://www.business-standard.com/article/companies/irdai-to-modify-norms-for-remuneration-of-ceos-directors-of-pvt-insurers-122010301361_1.html)

## ❖ **Terminology for today**

### **Aleatory Contract**

An aleatory contract is an agreement whereby the parties involved do not have to perform a particular action until a specific, triggering event occurs. Events are those that cannot be controlled by either party, such as natural disasters and death. Aleatory contracts are commonly used in insurance policies. For example, the insurer does not have to pay the insured until an event, such as a fire that results in property loss.

## ❖ ***Insolvency and Bankruptcy***

### • **To handle insolvency in financial companies, modified FRDI Bill up for discussions (January 03, 2022)**

The government has started discussions to put in place a resolution mechanism to deal with insolvency of firms in the financial sector. A modified version of the Financial Resolution and Deposit Insurance (FRDI) Bill — which was withdrawn in 2018 due to its controversial provision of bail-in that was perceived as undermining safety of depositors — is being contemplated. The Finance Ministry has recently sought views of the Reserve Bank of India (RBI) on drafting the fresh legislation and discussions are underway to putting in place a system to deal with financial firms' insolvency while at the same time providing highest level of safety to depositors.

*For details:*

<https://indianexpress.com/article/business/banking-and-finance/modified-frdi-bill-up-for-discussions-7702781/>

### • **Applying the insolvency code to the power distribution sector (January 02, 2022)**

The Union Ministry of Power has asserted that State-owned power distribution companies (discoms) come under the ambit of the Insolvency and Bankruptcy Code (IBC). The ministry believes that if such an entity were to default on its payments, it can be admitted to the Corporate Insolvency Resolution Process under the Code.

*For details:*

<https://www.hindustantimes.com/ht-insight/economy/applying-the-insolvency-code-to-the-power-distribution-sector-101641128199330.html>

## ❖ ***Business and Economic News***

### • **Manufacturing PMI eases to three month low in December amid Covid fears (January 04, 2022)**

India's manufacturing lost some momentum in December, easing to a three-month low after hitting a 10-month high in November, amid fears that the rapidly spreading third wave of the pandemic may hit consumer sentiment and output. The data released by analytics firm IHS Markit showed the purchasing managers' index (PMI) for manufacturing fell to 55.5 in December from 57.6 in November. A reading above 50 indicates expansion in economic activity and a number below that signals contraction.

*For details:*

[https://www.business-standard.com/article/economy-policy/manufacturing-pmi-eases-to-three-month-low-in-december-amid-covid-fears-122010300325\\_1.html](https://www.business-standard.com/article/economy-policy/manufacturing-pmi-eases-to-three-month-low-in-december-amid-covid-fears-122010300325_1.html)

- **India records highest-ever monthly exports at \$37 billion in December (January 04, 2022)**

India exported goods worth \$37.29 billion in December, the highest ever in a month, as demand for items such as engineering products, petroleum items, and gems and jewellery continued to soar, the preliminary data released by the commerce and industry ministry showed. India's merchandise exports in April-December were nearly \$300 billion, up 48.85 per cent year-on-year and 26 per cent against the same period in 2019.

*For details:*

[https://www.business-standard.com/article/economy-policy/india-records-highest-ever-monthly-exports-at-37-billion-in-december-122010400019\\_1.html](https://www.business-standard.com/article/economy-policy/india-records-highest-ever-monthly-exports-at-37-billion-in-december-122010400019_1.html)

- **Reliance Jio gets approval to buy 5G gear from 'trusted' vendors (January 04,2022)**

Telecom major Reliance Jio has received approval enabling it to use equipment from various vendors, including Ericsson, Nokia Networks, Cisco, and Dell, which have been endorsed as a 'trusted source' by the National Security Council Secretariat. The move will pave the way for telecom companies to take the next steps in ordering specific equipment, particularly for the upcoming 5G roll-out from these vendors.

*For details:*

[https://www.business-standard.com/article/companies/reliance-jio-gets-approval-to-buy-5g-gear-from-trusted-vendors-122010400023\\_1.html](https://www.business-standard.com/article/companies/reliance-jio-gets-approval-to-buy-5g-gear-from-trusted-vendors-122010400023_1.html)

## ❖ Market Watch

Stock Market Indices as on 04.01.2022	
S & P BSE Sensex	59855.93 (+672.71)
Nifty 50	17805.25 (+179.55)

Foreign Exchange Rates as on 03.01.2022 ( <a href="https://www.fbil.org.in/#/home">https://www.fbil.org.in/#/home</a> )			
INR / 1 USD	INR / 1 EUR	INR / 1 GBP	INR/ 1 JPY
74.36	84.54	100.56	0.65

### Prepared by Directorate of Academics

For any suggestions, please write to [academics@icsi.edu](mailto:academics@icsi.edu), or call at 01204082269

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

ICSI Motto  
अस्य वद। धर्मं चर। इत्येकं त्वं त्वात्तः शक्येः स्युः।

MISSION  
"To develop high calibre professionals  
facilitating good corporate governance"

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