

Info Capsule

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❖ Business & Economy

India's employment provisionally grew at 6% in FY24, shows RBI data (July 08, 2024)

India's central bank said on Monday, 08th July 2024, the country added 46.7 million jobs in the fiscal year ended March, far exceeding numbers in private surveys that point to high unemployment rates in the South Asian nation.

The employment growth rate was 6 per cent in 2023/24 versus 3.2 per cent in 2022/23, the Reserve Bank of India's (RBI) data on measuring industry level productivity and employment showed.

For Details: https://www.business-standard.com/economy/news/india-s-employment-provisionally-grew-at-6-in-fy24-shows-rbi-data-124070800663_1.html

❖ Capital Market and Securities Laws

SEBI tweaks norms for passive mutual fund schemes (July 09, 2024)

SEBI has revised norms on investments by passively managed mutual fund schemes in the group companies of their sponsors. The new rules mandate that no mutual fund scheme should make any investment in the listed securities of group companies of the sponsor in excess of 25% of the net assets of the scheme, except for investments by equity-oriented exchange traded funds (ETFs) and index funds. Equity oriented ETFs and index funds, based on widely tracked and non-bespoke indices, can make investments in line with the weightage of the constituents of the underlying index.

For details:

<https://economictimes.indiatimes.com/mf/analysis/sebi-tweaks-norms-for-passive-mutual-fund-schemes/articleshow/111592117.cms>

❖ Micro and Small & Medium Enterprises

MSME bodies urge RBI to double threshold period for SMA-2 stressed loan accounts (July 09, 2024)

Federation of Indian Micro and Small & Medium Enterprises Industry (FISME) on Monday, 08th July 2024 urged the Reserve Bank of India (RBI) to extend the threshold period for stress loan accounts under the special mention account-2 (SMA-2) category to 180 days from 90 days currently. The association also requested the RBI to review the definition of wilful defaulter for MSMEs.

The current SMA classification triggers penal actions even for minor delays (SMA-0), impacting credit score (SMA-1), and restricting credit access (SMA-2). This rigidity disregards genuine reasons for delays, such as late payments from buyers," FISME said in a memo on the meeting with RBI officials.

For Details:

<https://indianexpress.com/article/business/economy/msme-bodies-urge-rbi-to-double-threshold-period-for-sma-2-stressed-loan-accounts-9441169/>

❖ Banking

Measuring Productivity at the Industry Level-The India KLEMS Database (July 08, 2024)

The Reserve Bank of India on July 08, 2024 placed on its website an update on “Measuring Productivity at the Industry Level-The India KLEMS [Capital (K), Labour (L), Energy (E), Material (M) and Services (S)] Database” comprising the Data Manual 2024 and time-series data on productivity for 27 industries covering the period 1980-81 to 2022-23. The database, which has KLEMS data for an additional year, i.e., 2022-23, is expected to aid the analysis of productivity trends in India at disaggregated industry levels. Along with the industry-wise estimate, a provisional estimate of productivity for the total economy has also been attempted for the first time for the financial year 2023-24 based on the available information.

For Details: <https://website.rbi.org.in/web/rbi/-/press-releases/measuring-productivity-at-the-industry-level-the-india-klems-database-1>

❖ Ministry of Communications

TRAI notifies amendments to regulatory framework for broadcasting and cable services and releases (July 08, 2024)

Telecom Regulatory Authority of India (TRAI) today issued Telecommunication (Broadcasting and Cable) Services (Eighth) (Addressable Systems) Tariff (Fourth Amendment) Order, 2024 (1 of 2024); Telecommunication (Broadcasting and Cable) Services Interconnection (Addressable Systems) (Sixth Amendment) Regulations, 2024 (4 of 2024); the Telecommunication (Broadcasting and Cable) Services Standards of Quality of Service and Consumer Protection (Addressable Systems) (Fourth Amendment) Regulations, 2024 (3 of 2024) and also recommendations to Ministry of Information and Broadcasting (MIB) on ‘Listing of channels in Electronic Programme Guide and Upgrading DD Free Dish platform to an Addressable System’. These amendments, except for few clauses, shall come into force after 90 days from the date of its publication in the official gazette.

For Details: <https://pib.gov.in/PressReleasePage.aspx?PRID=2031606>

❖ Market Watch

Stock Market Indices as on 09.07.2024

S & P BSE Sensex	80351.64 (+391.26)
Nifty 50	24433.20 (+112.65)

Foreign Exchange Rates as on 09.07.2024 (<https://m.rbi.org.in//scripts/ReferenceRateArchive.aspx>)

INR / 1 USD	INR / 1 EUR	INR / 1 GBP	INR/ 1 JPY
83.48	90.39	106.92	.5190

❖ Pronouncement

April 02, 2024	Sundaram Brake Linings Ltd & Others (Appellant) Vs. Chief Materials Manager, South Eastern Railway & CCI (Respondents)	National Company Law Appellate Tribunal Competition Appeal (AT) NO.19/2020
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Even an attempt to rig a bid is sufficient to attract the definition of cartelisation under Section 2(c) of the Competition Act, 2002

In the above case Hon'ble NCLAT relied upon the case of *State of Maharashtra V Kamal Ahmed Mohammed Vakil Ansar and others (2013) 12 SCC 17*, wherein it was held in a proceeding under the Competition Act, the strict rules of evidence are not applicable. Admittedly, all the statements are made by witnesses who were the authors/recipients of the emails and have confirmed their interaction with each other. Admittedly the appellant had never challenged the correctness of statements made by the other members and never sought a permission to cross examine them. All the evidence has been construed holistically by the Commission before giving its justification. The oral statements and the email are completely consistent with each other. Moreso in view of the very definition of cartelisation in Section 2(c) of the Act, even an attempt to rig a bid is sufficient to attract the provision.

In alleged anti-competitive conduct in the *Beer Market in India, suo Motu Case No.6 of 2017 and in Federation of Corrugated Box Manufacturers of India etc, Case No.24 of 2017*, it has clearly been held in bid rigging cases mere exchange of information is sufficient to attract the provisions of the Act. The Appellant argued it had never sent any such email and only 'received' such emails and mere 'receipt' of the emails does not amount to 'exchange' of emails, is not acceptable. The appellant continuously 'received' emails for over five years without any protest and never requested the cartel to stop sending such emails to it. This itself indicates a *meeting of mind*.....

Prepared by Directorate of Academics

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