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THE JOURNAL FOR GOVERNANCE PROFESSIONALS

**IFSC GIFT CITY :
Unleashing Potential
with Holistic Vision**



**THE INSTITUTE OF
Company Secretaries of India**

भारतीय कम्पनी सचिव संस्थान

IN PURSUIT OF PROFESSIONAL EXCELLENCE

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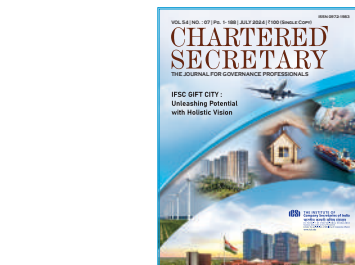
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EDITORIAL

Viksit Bharat, or Developed India, is nation's spearheading vision representing a complete blueprint for the country's prosperity and is not just a catchphrase. This vision will be a guiding principle for India during its Amrit Kaal. Encompassing various facets of development, such as economic growth, environmental sustainability, social progress and good governance, to make India a developed nation by 2047, a major aspect of Viksit Bharat is the Indian Economy that should be a resilient and strong economy which can provide opportunities and a high standard of living for all its citizens.

In line with the Viksit Bharat @2047, the IFSCA - GIFT City has been established by the Government of India, where its mandate is 'to develop and regulate the financial institutions, financial products, and financial services in the International Financial Services Centres (IFSCs) in India'.

Within the interrelated landscape of global finance, international financial centres ("IFCs") connect investors, corporations, and financial institutions across the world, thereby propelling global economic integration and development.

Historically speaking, the concept of an IFSC was first conceived by the Government of India in the year 2007 based on the recommendations of a High-Powered Expert Committee and with this objective to 'onshoring the offshore' financial services activity, IFSCA has been established. In current scenario, it is significant to mention that by the end of FY 2024, banking assets in the IFSC had reached USD 60 billion, and cumulative derivatives trading at USD 796 billion – figures which display investor confidence in the India growth story, as also the IFSC's ability to successfully capitalise the same and effectively contribute to the Indian economy.

The ICSI in furtherance of its continuous endeavours to provide new opportunities to its Members has been sending suggestions on various draft rules, regulations, policies and guidelines, etc. issued by Ministries, Government organisations and Regulatory Bodies to seek recognitions in new areas of practice and employment. The Institute has worked assiduously towards Recognition of Company Secretary in Practice under the International Financial Services Centres Authority (Registration of Insurance Business) Regulations, 2021 & International Financial Services Centres Authority (Insurance Intermediary) Regulations, 2021.

We are grateful to the IFSCA for considering the suggestions submitted by the Institute from time to time, reposing the confidence and according the profession of Company Secretaries with the requisite certification services.

To recognise the various professional facets where the Company Secretaries render their services, this month's issue of the Journal has been dedicated to IFSCA with the theme 'IFSCs: Unleashing Potential with Holistic View'. It is a matter of great honour for us that various experts from IFSCA – Gift City, Gandhinagar, Gujarat have shared a large repository of knowledge through their articles signifying how the IFSCs represents a significant break

from the regulatory incrementalism, and seeks to reward innovativeness and how IFSCA has managed to strike a win-win balance between investor protection, business considerations of financial intermediaries, and scope for entities seeking funds.

A comprehensive study through the article on 'Remote Trading Participants (RTPs) on Stock Exchanges in the IFSC' brings forth how IFSCA was in receipt of representations from market participants including Stock Exchanges, requesting direct participation by foreign institutions on the Stock Exchanges. It was suggested that this enabler is likely to increase the number of participants and make the secondary market more vibrant and liquid.

Providing an explicit overview through the article 'IFSCA and the ambition to make the GIFT-IFSC as a Gateway to Global Climate Finance – Innovating Today for a Sustainable Tomorrow' the author provides insight into operational processes of how 'The Gujarat International Finance Tec-City (GIFT-IFSC), India's first operational international financial center, exemplifies this vision and is a major step towards 'onshoring the offshore'.

The article on 'Overview of International Financial Services Centre and Opportunities for Company Secretaries' provides an analysis on India's vision for GIFT City and that "the vision of India's future is associated with GIFT City, which is an important gateway to connect India with global opportunities".

An eye-opening study on 'Assessing the GIFT City's Imperative Role in Raising India as a Global Soft Power' gives an exhaustive overview of the process Under the Setting up and Operation of International Branch Campuses and Offshore Education Centres Regulations, 2022, of the IFSCA, the regulator brought forth a bevy of regulations, with the following objective – to establish GIFT IFSC as a global educational hub by facilitating the setup of International Branch Campuses by foreign universities, either independently or in other approved forms.

Through the article 'Sailing into the Future: GIFT IFSC's Ship Leasing Opportunities' an invigorating study has been brought forth on how despite its importance, India's shipping fleet stands at a modest 13.6 million gross tonnages, which is less than 1% of the world's total fleet of 1,565 million gross tonnages.

A detailed article on 'Credit Rating Agencies: Opportunities at GIFT IFSC' emphasizes on the regulatory framework for CRAs which has been specified in IFSCA (Capital Market Intermediaries) Regulations, 2021. These regulations provide a regulatory regime for all the capital market intermediaries in IFSC such as Broker-Dealers, Clearing Members, Depository Participants, Investment Bankers, investment Advisors, credit Rating Agencies etc.

Capital Markets Ecosystem in GIFT IFSC, maiden international financial centre in India was set up by Government of India in 2015. The objective of GIFT IFSC is to act as a gateway, connecting India to global financial markets and enabling access for international investors to India.

An Overview on opportunities through the article on 'REITs and InvITs: Opportunities at GIFT IFSC - India's Massive Infrastructure and Real Estate Needs – An Enormous Opportunity' presents the concept of REITs which originated in the United States in 1960. Since then, numerous jurisdictions, including Singapore, Japan and Hong Kong in Asia and have established successful regulatory frameworks for these investment vehicles. In India, the capital market regulator, SEBI, has created regulatory frameworks for REITs and InvITs in 2014.

The article on 'GIFT IFSC a Global FinTech Hub: Regulatory Innovation Benchmarking global best practices' explains how Financial authorities around the globe have resorted to various ways of responding to fintech developments.

An elaborate study of 'Direct Listing of Indian Companies in GIFT IFSC – Marking the dawn of a new era in the capital market landscape' provides an insight into the need, significance and benefits of the Direct Listing Scheme at GIFT IFSC and its critical role in financing the growth and development of Indian companies, particularly the start-ups. It sheds light on the enabling legal and regulatory framework for Direct Listing that has been benchmarked with global best practices.

The article on 'IFSCA (Payment Services) Regulations, 2024- An Overview' explains how by enabling the 5 services to be provided out of IFSC, the IFSCA (Payment Services) Regulations allow financial institutions in IFSC to provide as well as receive a wide range of financial services that facilitate the transfer of money between individuals, businesses, and other entities.

The article on 'Relocation of Funds to GIFT IFSC' informs how GIFT IFSC today provides parity with global jurisdictions. The structured efforts aim to create fertile ground for the movement of offshore financial services to Onshore GIFT IFSC. The relocation of the offshore funds is one area of growth to watch out for in this space of Funds @ GIFT IFSC.

A much needed study on 'Opening of a New Era for Qualified Jewellers - India International Bullion Exchange' has brought many facts to light, how The IFSCA acts as a unified regulator for all financial products, services, and institutions operating within the IFSC framework. This streamlined approach eliminates the need to navigate multiple regulatory bodies, fostering ease of doing business for domestic and foreign entities.

The article 'Significance of IFSC & Its Role' provides an indepth view on how the Indian Govt. relaxed its policy of Socialistic Economy to partially Private economy and how it became necessary that the economic growth with industrial activity process should spread not to only a few places, solely handled by Government, but must spread over to all states of the country.

An eye opening study on IFSCs: Transforming India into a Global Financial Powerhouse explains how As per Section 3(1)(g) of The International Financial Services Centres Authority Act, 2019, under section 18 of the Special Economic Zones Act, 2005, India established the International Financial Services Centre (IFSC) as a specialized zone to promote the nation as a global financial hub and ease cross-border financial services transactions.

The article on 'Navigating the Future: Benchmarking Regulatory Innovation in Global Fintech Hubs through International Financial Centre,' informs how IFSCA came up with the 'Fintech Initiative Scheme' with the principal objective to promote the establishment of a world-class FinTech Hub, comparable with those located in advanced International Financial Centres (IFCs) across jurisdictions, at IFSC in India by providing financial support to FinTech activities in the form of specific grant(s) as specified in the scheme, based on their eligibility and fulfilment of terms and conditions as may be specified in the scheme.

The article on 'Viksit Bharat @2047: Role of IFSCA in Driving India's Economic Growth' enriches the knowledge on how India with its rich history, diverse culture, and robust economic potential, has set an ambitious goal for itself: to become a developed nation by 2047, marking the centenary of its independence. The vision of a "Viksit Bharat" (Developed India) emerges as a guiding light for policy makers, businesses, and citizens alike. A crucial player in this journey is the International Financial Services Centres Authority (IFSCA), which has the mandate to develop and regulate financial services, financial products, and financial institutions in the International Financial Services Centres (IFSCs) in India.

The author through the article 'Guidance For Handholding Startups' provides an analysis on how leveraging the expertise and experience of seasoned professionals, founders/promoters can significantly increase their chances of success and build a robust foundation for their startup. Professional guidance of Company Secretaries, who practice in the field of incorporating entities, ensuring governance and compliance, etc can provide startups with the knowledge, skill, and resources required to navigate the complexities of starting and growing a business.

Through the Article 'Embracing Technology: A Gateway to the Future of Practising Company Secretary' the author strives to bring forth technological insights Technology drives economic development by creating new industries, jobs, and markets. Enhances the quality of life through advancements in healthcare, education, and everyday conveniences and also facilitates global communication and commerce, connecting people and businesses worldwide.

The author through the article 'Alternative Investment Funds – Recent trends, light-touch to Compliance intensive' explains how AIF Industry is expected as one of the fastest growing as High-Net worth Individuals (HNIs) and ultra HNIs gets an option to generate better returns on their investments by investing in alternate/differentiated products.

We are also privileged to publish an interview of Shri K. Rajaraman (IAS), Chairperson, IFSCA.

Happy Reading !

CS Asish Mohan
(Editor - Chartered Secretary)



1. ICSI delegation led by CS B. Narasimhan, President, The ICSI called upon Shri Harsh Malhotra, MoS for Corporate Affairs & Ministry of Road, Transport & Highways.
2. ICSI delegation led by CS B. Narasimhan, President, The ICSI met with Shri Deepak Singh, IAS, Commissioner Indore Division in the presence of CS Praveen Soni, CS Pawan G. Chandak, CS Rajesh C Tarpura, CS Ashish Karodia, Central Council Members of The ICSI.
3. ICSI delegation led by CS B. Narasimhan, President, The ICSI met with Smt. Sapna Anurag Jain, Executive Director, MP Industrial Development Corporation, Indore Division in the presence of CS Dhananjay Shukla, Vice-President, The ICSI, CS Ashish Karodia, Central Council Member, The ICSI and CS Asish Mohan, Secretary, The ICSI.
4. ICSI delegation led by CS B. Narasimhan, President, The ICSI, met with Mr. Adil Zainulbhai, Chairman, Capacity Building Commission, to discuss areas of mutual collaboration & support.
- 5-6. Winners of International Commerce Olympiad (SOF ICO), organized by SOF in association with The ICSI awarded at the 26th Annual Awards Ceremony of the Science Olympiad Foundation.
7. 1st CS State Conference organised by Bhubaneswar Chapter of ICSI.



8. Van Mahotsav was organised by Indore Chapter of The ICSI on July 1, 2024.
9. Blood donation camp was organised by Indore Chapter of The ICSI on July 1, 2024.
10. The ICSI joined as an Institutional Partner in the seminar on The Competition Act, 2002 and the Competition (Amendment) Act, 2023 organised by PHD Chamber of Commerce & Industry on June 28, 2024 at PHD House, New Delhi. Smt. Ravneet Kaur, Chairperson, Competition Commission of India was the Chief Guest. CS Suresh Pandey, Council Member, The ICSI graced the inaugural session.
11. Opening of New Chapter of WIRC of The ICSI, Gandhinagar(Gift City) Chapter of WIRC of ICSI.
12. EIRC : Celebration of PCS Day & Half Day Workshop on the theme "Role of CS in Viksit Bharat @ 2047." on 15th June 2024.
13. EIRC : Celebration of GST Day 2024 and Half Day Program on the topic "Challenges & Opportunities in GST" on 1st July 2024
14. "MANTHAN 2024" 2 days Seminar/Workshop on critical issues of Corporate Laws organised by Mysuru Chapter of ICSI on June 21 & 22 2024 at Mysuru.
15. ICSI delegation led by Dr. Sanjay Pandey, Joint Secretary Senior Grade and Sh. B. Pradhan, Director, Directorate of Infrastructure and BM met with CEO, Noida Authority Dr. Lokesh M (IAS) on July 4, 2024 for allotment of Land at Noida.

INITIATIVES UNDERTAKEN BY ICSI-CCGRTS



16. The 21st RCLDP was organized from May 24, 2024 to June 8, 2024 at ICSI-CCGRT, Navi Mumbai in esteemed presence of CS (CA) Rakesh Bapna, Reliance Retail Ltd.
17. The 22nd RCLDP was organized from June 20, 2024 to July 5, 2024 at ICSI-CCGRT, Navi Mumbai.
18. ICSI-CCGRT, Navi Mumbai organized a seminar on June 15, 2024 to commemorate PCS Day on theme 'Role of CS in Viksit Bharat@2047'.
19. The Three-Day Residential/Non-Residential Workshop on 'Laws relating to Arbitration' organized by ICSI-CCGRT, Navi Mumbai in collaboration with ICSI-International ADR Centre, from June 21 to June 23, 2024.
20. ICSI-CCGRT, Hyderabad organized its 14th batch of RCLDP from June 10, 2024 to June 26, 2024. Shri Venkat Changavalli, CEO-Insurance Information Bureau of India (IIB), Director-Sri Sri Holistic Hospitals & Director-Rubicon Research, Hyderabad graced the inaugural ceremony as the Chief Guest in the presence of CS R Venkata Ramana, Central Council member. During the valedictory, Wing Commander Anthony Anish (Retd), COO, T-Hub, Hyderabad graced the program as Chief Guest, and Ms. Sridevi Undavalli, Head HR, CCL Products (India) Limited, Hyderabad was the Guest of Honour.



“You were born to win, but to be a winner, you must plan to win, prepare to win, and expect to win.”

- Zig Ziglar



Dear Professional Colleagues,

The month of June, brought with it plenty of celebrations – both at the national as well as an institutional level. I would begin with that one achievement, that swelled the heart of each and every Indian across the globe with pride as India basked in the glory of picking up the T20 World Cup after a gap of 17 years. With great adulation for each of the Team members, it was a realization within, that even during all these years when we could not make it, there was a perseverance in efforts, a consistency in approach and a mindfulness in actions which ultimately yielded the desired results.

Each discussion that followed thereafter, witnessed all of us, picking our favorite players and admiring them individually; only to end up in applauding and commending the Team effort that we enjoyed in each of the matches leading up to the finale.

Friends, for us Indians, sports have served us some of the best examples to be quoted and shared in moments where a deeper understanding of the concept has been solicited; and this one big win is no different. Rather, I am sure it will be a part of all the motivational speeches to follow, henceforth.

With the build-up done, I cannot help find myself comparing the profession with the game and seek lessons therefrom. There are a few pointers that I wish to remember, long after the celebratory moments

have passed – and the prime amongst them is the fact that no loss or defeat or downfall is permanent as long as you hold the courage to stand back, persevere with vigour and walk the mile with your head held high...

Another moment of celebration has been accorded to the nation at large and the corporate sector in particular with the reappointment of Smt. Nirmala Sitharaman as the Hon'ble Union Minister of Finance and Corporate Affairs and the appointment of Shri Harsh Malhotra as Minister of State for Corporate Affairs & Ministry of Road, Transport & Highways. The Institute of Company Secretaries of India extends a warm welcome to both the dignitaries and we hope to work in close coordination with them for strengthening the corporate governance framework of the corporates which indeed is a prime mission for a nation aspiring to be Viksit Bharat.

Coming to the institutional line of achievements, I would begin by sharing the success of the 25th National PCS Conference.

PCS DAY AND PCS CONFERENCE : A CELEBRATION OF RECOGNITION

यद्वावो तद्भवति।

You become what you believe in.

Stepping foot into practice is a form of self-belief for it takes tremendous courage to have faith in one's own ability and capabilities and embark on a solo journey of professional accomplishment. If PCS Day is a celebration of the recognition accorded by the

Regulatory Authorities decades ago, the National Conference of Practising Company Secretaries is a celebration of the courage and faith portrayed by the professionals.

This year as the Chapters, Regional Offices and CCGRTs celebrated the PCS Day in full fervour with intellectual deliberations and informal cake cutting ceremonies; we celebrated the silver jubilee – the 25th National Conference of Practising Company Secretaries in the heart of Ayodhya – the city known for both its religious history, cultural heritage as well as its role in laying the foundations of good governance. (Ram Rajya)

The presence of more than 400 delegates (physically) and 3800 delegates virtually along with Shri Asim Arun, Hon'ble Minister of State (Independent Charge), Social Welfare, Scheduled Caste and Tribal Welfare presiding over as Chief Guest and Shri Nitish Kumar, IAS, District Magistrate, Ayodhya, Government of Uttar Pradesh as the Special Guest rendered the event all the more memorable. The deft discussions by experts indeed gave us plenty of food for thought and a zillion takeaways. My heartiest gratitude towards all of you who were able to be a part of it.

ECONOMIC ACCELERATION THROUGH CAPITAL MARKETS : VIKSIT BHARAT

“Success is where preparation and opportunity meet.”

- Robert William Unser, American Racer

The term ‘Viksit’ embodies the essence of development, signaling a rallying call for an empowered and prosperous Bharat. As the nation steers towards becoming a developed entity by its 100th year of independence in 2047, each stride forward resonates with the collective commitment to realize this ambitious dream.

The Indian Capital Markets, with SEBI at the helm, companies vying for finance, market intermediaries providing support and more than 150 million investors is one of the most sought-after trading grounds, one of the most debated and deliberated topics in the academic circles and one of the biggest breeding grounds of opportunity for us professionals.

One of the biggest hallmarks of the Capital Markets arena is the constantly altering dynamics of the market space. If the decades gone by witnessed research papers being rolled out on FDIs and FIIs, the ongoing decade is one marked by deliberations over technology and AI. We are looking at an unprecedented growth – not just in Sensex or Nifty but in the opportunities for Company Secretaries – irrespective of being in employment or practice.

The Capital Markets Week of 2024 was a combined celebration of all of that. I am humbled to have had the opportunity to share stage with Shri Amarjeet Singh, Whole-Time Member, SEBI, and Shri Ankit Sharma, CRO- Listing & Investor Compliance, NSE at the Inaugural Programme in Mumbai. My extreme gratitude towards Shri Harsh Malhotra, Hon'ble Minister of State for Corporate Affairs and Road Transport & Highways, Government of India, who while presiding over the Mega Programme at Delhi, in his very first address to the Governance Professionals made us all feel at ease with his forthcoming approach towards our issues and concerns. We do look forward to working together with the Ministry in strengthening the governance framework and creasing out the challenges – all for a Viksit Bharat of tomorrow.

I would like to extend my heartfelt thanks to Shri K Rajaraman, Chairman, IFSCA, CS Dipesh Shah, ED, IFSCA, Mr. Praveen Trivedi, ED, IFSCA, Shri Vikas SS, General Manager, SEBI (Eastern Regional Office (ERO), Kolkata) and CS Pradeep Ramakrishnan, Executive Director, IFSCA – our Guests at the Mega Programmes and with them our esteemed array of speakers and panelists who guided the way for Economic Acceleration in Capital Markets and Exploring opportunities for professional in this arena.

FROM EXAMINATIONS TO RELAXATIONS : LIVING THE STUDENT LIFE TO THE HILT

Examinations form a major part of the student life. But with that, a student aspiring to be a professional must be armed with a wide variety of skills. The **Student Month** conducted in the month of July each year is an attempt of the Institute to create a sphere of opportunities wherein the Student Company Secretaries can understand the needs of the profession and inculcate in them the characteristics lacking.

If the celebration of days like Van Mahotsav, National Flag Adoption Day, Kargil Victory Day, Swachh Bharat Abhiyan, World Nature Conservation Day aim to sensitize the students towards the environment, society and the nation; activities like Elocution, Debate, PowerPoint competition are intended at developing Communication and Soft skills of the students which will go a long way in enhancing their analytical and representational abilities. Add to that the fun factor, and we have painting and poster making wherein we seek to relish the hidden talents of our future members. All-in-all, it is going to be a month to look forward to !!!

With that, I am happy to announce the launch of this year's All India Company Law Quiz. For us as Company Secretaries, as Governance Professionals taking great pride in being the guardians of law and governance, company law stands at the very foundations of this pride. And it is for this reason that the Company Law is a core

subject under the Company Secretaryship Course as well. The All India Company Law Quiz is an attempt of the ICSI to upgrade the knowledge levels of students in Company Law and allied areas and to generate interest for in-depth study of the subject and gain greater conceptual clarity. To my young friends, I would like to remind that the Registrations for the competition have commenced from June 24, 2024 through online mode and I look forward to your participation in record breaking numbers.

Good luck !!!

DIVERSITY IN THOUGHT – DIVERSITY IN ACTION

“It is best to work among the youth in whom lies our hope – patiently, steadily and without noise.”

- Swami Vivekananda

Having attended two Convocations – one each for Southern and Eastern Region, attending a third one for the Western Region was no less delightful. Having our young members adorn the Indian attire and the angavastra, take the pledge, and with gleam in their eyes enter the professional world – gives me immense hope and fills me with immense satisfaction that the future is in the right hands.

This month as we conducted the third bi-annual Convocation for the Western region, in the heart of Indore, I was joined by Shri Shankar Lalwani, Member of Parliament from Indore as the Chief Guest and CS Ashish Garg, Former President, ICSI as the Guest of Honour. As I extend my gratitude towards both our guests I would also extend my best wishes towards all the young members for embarking upon a new journey of their lives – one that is going to shape – theirs, ours and the nation's future !!!

“Develop a passion for learning. If you do, you will never cease to grow.”

- Anthony J. D'Angelo

Even though I was not able to attend the event personally, I would like to share another new attempt of the Institute wherein we organised a 3-Day Residential/Non-Residential Workshop on Laws relating to Arbitration with Recent Case Studies. The workshop which was initiated by the ICSI-CCGRT Mumbai in collaboration with ICSI-International ADR Centre was marked by the presence of Hon'ble Justice (Retd.) Shri Ramesh D. Dhanuka, Former Chief Justice, High Court of Bombay as Chief Guest during the inaugural session along with CS Devendra V Deshpande, Past President, The ICSI & Director of ICSI-International ADR Centre as Guest of Honor and Adv. Ashish Gogate. The Valedictory Session was graced by Hon'ble Justice Shri Manish Pitale of the High Court of Bombay as the Chief Guest; and I am deeply grateful towards all our dignitaries and experts for guiding our way and rendering this novel launch a grand success. I am hopeful that my dear professional

colleagues will be utilizing this new opportunity of arbitration to the best of their abilities.

I would also like to congratulate the Pune Chapter of WIRC of ICSI for successfully organizing the Annual Regional PCS Conference 2024 on the theme “Shaping the Future: Trends and Insights for Tomorrow” and raising pertinent discussions. My best wishes to all our regional Offices and Chapters for their future endeavours.

JULY: THE MONTH OF LEARNING, GROWTH AND OPPORTUNITY

The month of July begins with the celebration of the new tax regime of indirect taxes – the GST or Goods and Services Tax – a tax that was given the acronym expansion of ‘Good and Simple Tax’ and has been proving itself ever since its launch in the year 2017. Ever since, as India's GST Partner we not only lead discussions and deliberations but embark on explorations for opportunities in this arena and make sure that Company Secretaries are one of the most sought-after professionals in this arena.

If the previous month was all about Company Secretaries in Practice, the dates in the calendar for the month of July are encircled for the Company Secretaries in Employment.

Another achievement for the entire fraternity that I feel delighted to share is the opening of a new Chapter in Gandhinagar – Gift City. As I welcome the new Managing Committee Members, I am sure this decision of the Council will have a long ranging impact on the professionals stationed not only in an around the city – but across the nation and intending to explore the opportunities offered by the IFSC.

With the altering dynamics of the corporate scenario, the need to pursue excellence and perfection in every arena of professional activity has grown manifold – especially for Corporate CS – the sub-set of Company Secretaries employed with India Inc. as the inside guardians and caretakers of good governance. As we step into the 5th edition of the National Conference of Corporate CS, I invite you all to join us in the magnanimous and historical city of Kolkata “City of Joy” and relish, the deliberations on the theme “**Transformative Governance for Viksit Bharat**” to be held on July 19-20, 2024.

The city of Kolkata awaits you with its full grandeur...!

Yours Sincerely



CS B. Narasimhan
President, ICSI

THIS MONTH THAT YEAR

JULY-1993



Workshop on Certification by Company Secretary under clause 312(3) of the Companies Bill, 1993 (20.5.1993)—
A.R. Ramanathan (Member, CLB) addressing. Others seated are (L to R) Dr. S.P. Narang, S.B. Mathur, U.K. Chaudhary, U.P. Mathur, Bipin S. Acharya and B.R. Dhiman.

JULY-1993



Meeting with Chief Justice of India (25-5-1993)—Hon'ble Mr. Justice M.N. Venkatachaliah (3rd from left) seen with (L to R) Mahesh Shah, U.K. Chaudhary and Dr. S.P. Narang.

JULY-1993



Meeting with Hon'ble Union Finance Minister (25-5-1993)—Dr. Man Mohan Singh flanked by U.K. Chaudhary (left) and Mahesh Shah.

JULY-1993

WIRC—Seminar on Companies Bill, 1993 (4.6.1993)—S.P. Upasani Chairman, CLB) addressing. Others seen are (L to R) M.J. Kotwal, B.L. Gaggar and Mahesh Shah.



JULY-1993



Harish K. Vaid presenting memento to Sudha Pillai (Jr. Secretary, Deptt. of Company Affairs).

JULY-1991

Mahesh C. Gupta presenting Directory of Ahmedabad Chapter for release to Rannikhat, N. Ambani (Jr. MD. of Reliance Industries Ltd.)



INITIATIVES UNDERTAKEN DURING THE MONTH OF JUNE, 2024

MEETINGS WITH DIGNITARIES DURING THE MONTH OF JUNE 2024

- Shri Harsh Malhotra, MoS for Corporate Affairs & Ministry of Road, Transport & Highways
- Mr. Adil Zainulbhai, Chairman, Capacity Building Commission
- Dr. Lokesh M (IAS), CEO, Noida Authority
- Smt. Sapna Anurag Jain, Executive Director, MP Industrial Development Corporation, Indore Division

5TH NATIONAL CONFERENCE OF CORPORATE CS – REGISTRATIONS OPEN

With the altering dynamics of the corporate scenario, the need to pursue excellence and perfection in every arena of professional activity has grown manifold. Realising this need of Company Secretaries in Employment to outstand the peers and to make a mark for themselves, the Institute launched **the National Conference of Corporate CS**.

The **5th National Conference of Corporate CS** on the theme “**Transformative Governance for Viksit Bharat**” is scheduled to be held during **19th and 20th July, 2024** at **Kolkata**.

The Registrations for the same were opened at the 25th National Conference of Practising Company Secretaries at Ayodhya.

25TH NATIONAL CONFERENCE OF PRACTISING COMPANY SECRETARIES

The Institute organized its 25th National Conference of Practising Company Secretaries at Hotel Park Inn, Radisson, Ayodhya on the theme “**Role of Company Secretary in Viksit Bharat @2047**”. The Conference witnessed the presence of around 500 delegates present in person and 3800 delegates connected virtually from different parts of the country. The Conference was inaugurated by Chief Guest, Shri Asim Arun, Hon’ble Minister of State (Independent Charge), Social Welfare, Scheduled Caste and Tribal Welfare. Shri Nitish Kumar, IAS, District Magistrate, Ayodhya, Government of Uttar Pradesh also graced the Inaugural Session as Special Guest.

CAPITAL MARKETS WEEK 2024

The ICSI has been observing Capital Markets Week as a part of its ongoing efforts to promote good governance in the Capital Markets. This year the Capital Markets Week 2024, was celebrated Pan India during June 28 to July 04, 2024 on the theme “**Viksit Bharat: Economic Acceleration through Capital Markets**”. The week-long celebration included Mega Programmes hosted in Mumbai, Chennai, Kolkata, New Delhi and GIFT City-

Gandhinagar. In addition to these flagship Programmes, numerous engaging activities such as panel discussions, lectures, interactive sessions with Regulatory Bodies and Stock Exchanges, and investor awareness programs were conducted by Chapters of ICSI Pan India. The Mega Inaugural Programme of Capital Markets Week, 2024 was celebrated on June 28, 2024 at National Stock Exchange of India Limited, Mumbai by ICSI-WIRO. The details of Mega Programmes are as under:

Region	Place	Date	Chief Guest/ Special Guest
Western Region	Mumbai	June 28, 2024	Chief Guest : Shri Amarjeet Singh Whole-Time Member, SEBI Guest of Honour : Shri Ankit Sharma, CRO- Listing & Investor Compliance, NSEIL
Easter Region	Kolkata	June 29, 2024	Special Guest : Shri Vikas SS General Manager, SEBI Eastern Regional Office (ERO), Kolkata
Southern Region	Chennai	June 29, 2024	Special Guest: CS Pradeep Ramakrishnan Executive Director, IFSCA
Northern Region	Delhi	June 30, 2024	Chief Guest : Shri Harsh Malhotra Hon’ble Minister of State for Corporate Affairs and Road Transport & Highways, Government of India
Western Region	Gift City- Gandhinagar (IFSCA)	July 4, 2024	Chief Guest : Shri K Rajaraman, Chairman, IFSCA

EEE4.0 – MASTER KNOWLEDGE SERIES

The ICSI with the intent of reviving, refreshing and sharpening the knowledge base of members, had launched a capacity building initiative EEE – Enable, Evaluate, Excel in the year 2017. The second and third editions were brought out in 2021 and 2023. Keeping the same intent & overwhelming response received, the ICSI has launched the next phase of this Webinar Series under the aegis of EEE 4.0- Master Knowledge Series on contemporary topics of professional interest. During the month following webinars were conducted under the Series:

Topic	Speaker	Date	YouTube Link
Digital Environment and Frauds	CS Guruprasad V. Past President IMA Bangalore Chapter	June 05, 2024	youtube.com/live/idPNLrRwZq0
AML & CFT Guidelines under PMLA, 2002	Ms. Rimjhim Pandey, OSD, Financial Action Task Force (FATF) Cell, Department of Revenue, GoI CS Amita Desai, Practicing Company Secretary	June 12, 2024	youtube.com/live/59IVwdkSbzk
Social Stock Exchange and Social Impact Assessment	Dr. Ajay Garg, Writer and Social Entrepreneur Mr. Kaoshal Kishor Kumar, Sr. Manager - Investor Awareness / Services & Social Stock Exchange, NSE Dr. Nitin Tike, Consultant, Centre for Capacity Building, NISM	June 19, 2024	youtube.com/live/gIXFfoQVGig
BRSR: Regulatory Landscape and Stakeholder Engagement	CS Ranjeet Pandey Former President, ICSI CS Sachin Mishra Head – Legal & Company Secretary Tata Consulting Engineers Limited	June 26, 2024	youtube.com/live/nzxTf7EKPo4

PCS DAY CELEBRATIONS

On 15th June every year the fraternity of the Company Secretaries celebrate the PCS Day. This year again the Day was celebrated through CCGRTs, Regional Offices and Chapters by organising various programmes on the theme “Role of CS in Viksit Bharat”. The members were engaged through panel discussions, seminars, study circle talks, workshops, etc. on the topics benefitting the theme.

GST DAY 2024

The Institute partnering with the initiatives of the Government, each year on 1st July propagates the significance of Goods and Services Tax (GST). The Institute commemorated the 7th anniversary of GST Day by organising a virtual programme on 1st July, 2024 on the theme GST: A Key Enabler for Viksit Bharat. CS Bimal Jain, Founder, A2Z Taxcorp LLP and CS Sanjay Malhotra, Practising Company Secretary were the Guest Speakers. The webinar was addressed by CS B. Narasimhan, President, ICSI and moderated by CS Dwarakanath Chennur, Council Member, ICSI. The GST Day was also celebrated on 1st July, 2024 through Regional and Chapter offices to sensitise members about GST through panel discussions, seminars, study circle meetings, webinars, etc.

BI-ANNUAL CONVOCATION 2024 - WEST

The bi-annual Western Region Convocation for FY 2024-2025 was held on June 29, 2024, at Labh Mandapam Auditorium, Abhay Prashal, Race Course Road, New Palasia, Indore. Membership certificates were awarded to 09 Fellow members and 256 Associate members. 03 students were also felicitated on the occasion. Shri Shankar Lalwani, Member of Parliament from

Indore was the Chief Guest and CS Ashish Garg, Former President, ICSI was the Guest of Honour at the occasion.

ICSI CONTINUING PROFESSIONAL EDUCATION-SELF ASSESSMENT MODULES

In an effort towards Continuing Professional Education of the members and facilitating the members in fulfilling the mandatory CPE Credits requirement for the year 2023-24, the Institute conducted a series of Online Self-Assessment Modules in the areas of expertise for the members. The Self-Assessment exams were conducted between 25th June, 2024 and 29th June, 2024. Members were granted 5 Structured CPE Credits for each module qualified. The MCQ based examination were conducted in Company Law, Economic, Commercial and Intellectual Property Laws, Good Governance & Sustainability, Secretarial Audit, Compliance Management and Due Diligence, Corporate Restructuring, Insolvency, Liquidation & Winding-up and Securities Laws

REPRESENTATIONS SUBMITTED

Date	Purpose	Authority
June 20, 2024	Comments of ICSI for review of IFSCA (Market infrastructure Institutions) Regulations, 2021	IFSCA
June 24, 2024	Request for inclusion of SS-3 in IEPFA Rules for standardization of corporate practices	MCA & IEPFA
June 28, 2024	Issues in filing of return in Form DPT-3 for the financial year ending 31.03.2024	MCA

JOINT PROGRAMMES

Topic	Organising entity	ICSI's Role	Venue	Date
The Competition Act, 2002 and the Competition (Amendment) Act, 2023 (Chief Guest: Smt. Ravneet Kaur, Chairperson, CCI ICSI Representative: CS Suresh Pandey, Council Member, The ICSI)	PHD Chamber of Commerce & Industry	Institutional Partner	PHD House New Delhi	June 28, 2024

FIRST MANAGING COMMITTEE OF GANDHINAGAR (GIFT CITY) CHAPTER OF WIRC OF ICSI

Pursuant to decision of the Council of the Institute in its 305th meeting held on 26-27-28 December 2023 regarding opening of new Chapter under the name and style of “**Gandhinagar (Gift City) Chapter of WIRC of ICSI**”, the list of first Managing Committee Members is placed below:

- CS Hitesh Bhamare, Chairman
- CS Naresh Senani, Vice Chairman
- CS Parth Shah, Secretary
- CS Nilesh Kalsariya, Treasurer
- CS Ramya Pandya, Member
- CS Chintan Amlani, Member
- CS Ravi Thakkar, Member

FORMATION/RENEWAL OF ICSI STUDY CIRCLES

The ICSI has been promoting the Formation/Renewal of Study Circles for creating knowledge upgradation avenues through professional discussion and deliberation. Study Circle formed/renewed in June 2024 for the FY 2024-25 were as under:

Region	Name of the Study Circle	Formation/ Renewal
NIRC	Najafgarh Study Circle of ICSI	Renewal
WIRC	Mahindra (Corporate) Study Circle of ICSI	Renewal
WIRC	Bhilai Study Circle of ICSI	Renewal

COMMENCEMENT OF CERTIFICATE COURSES

The Institute commenced Certificate Course on Independent Directors - Batch 7 in the current month. 275 members have registered for this course.

ONLINE CLASSES OF PMQ, CERTIFICATE AND CRASH COURSES

During the month, Online Classes for the following PMQ, Certificate and Crash courses were organized:

- Certificate Course on POSH- Batch 7
- Certificate Course on CCM-Batch 7
- Certificate Course on Independent Director- Batch 7
- Certificate Course on GST- Batch 12
- Certificate Course on FEMA- Batch 7
- Certificate Course on Corporate Restructuring- Batch 5
- Crash Course on A to Z of IPO

PMQ EXAMINATION

The Examination of PMQ Course on Corporate Governance, Internal Audit and Arbitration for June 2024 session was conducted on Saturday, 22nd June 2024.

ONLINE ASSESSMENT OF CRASH COURSE

The online assessment of Crash Course on A to Z of IPO was held on 18th and 19th June 2024 and subsequent assessment was held on 27th and 28th June 2024. Certificates were awarded to all successful candidates of the Course.

E-LEARNING FACILITY

The E-learning facility has been offered with anytime anywhere flexibility through online Learning Management System (LMS) to 195000 students and members. Certificate Courses, Crash Courses, PCS orientation program, E-EDP, Pre-Examination Test services offered and related queries resolution. PMQ courses continuation of Registration also configured on E-form. ECPE 2024 and CL Quiz 2024 configured for Registration and conduct of Assessment on LMS.

PEER REVIEW CERTIFICATES ISSUED

During the month June 2024, Peer Review of 70 Practice Units was completed and accordingly Peer Review Certificate issued. The list of Peer Reviewed Units is updated on ICSI website from time to time and can be accessed at www.icsi.edu/media/webmodules/List_Peer_Reviewed_Practice_Units.pdf

PLACEMENT OPPORTUNITIES FOR COMPANY SECRETARIES

The ICSI stands committed to help all the associated companies and availing the services extended by the cell to conduct their recruitment drives for the position of Company Secretary/ CS Trainee in a time bound, hassle-free and mutually beneficial manner, and to help the

members and students in getting the right placement offer. The Institute receives requests from various offices of the Government/ PSUs/ Banks/ Corporates regarding the positions of Company Secretary/ CS Trainee from time to time and resumes of eligible Members and Students are sent to them.

During the month, following placement opportunities were posted on the Placement Portal:

S. No.	ORGANIZATION	LOCATION	DESIGNATION
1	Canbank Financial Services Limited	Bengaluru	Company Secretary
2	Central Processing Centre	Manesar	CPC Executives
3	Central Registration Centre	Manesar	CRC Executives
4	Chennai Petroleum Corporation Limited	Chennai	Officer (Secretarial)
5	Dredging Corporation of India Limited	Visakhapatnam	Asst. CS
6	Khanij Bidesh India Limited (KABIL)	Delhi	Company Secretary
7	KIOCL Limited	Bengaluru	Company Secretary
8	NLC India Limited (NLCIL)	Chennai	Exec. Trainee (Sec.)
9	Office of ROC-Cum-OL, MCA	Bilaspur	Young Professionals
10	Punjab Logistics Infrastructure Limited	Ludhiana	Company Secretary
11	REC Power Development & Consultancy Ltd.	New Delhi, Gurgaon	Deputy Manager (CS)
12	REC Power Development & Consultancy Ltd.	New Delhi, Gurgaon	Officer (CS)
13	Aegeus Technologies Private Limited	Bengaluru	Company Secretary
14	Agarwal Duplex Board Mills Limited	New Delhi	Company Secretary
15	Altruist Fostering Services	Mumbai	Company Secretary
16	Amritkunj Capital Markets Limited	Kolkata	Company Secretary
17	Annapurna Finance Private Limited	Bhubaneswar	Company Secretary
18	Artmed Healthcare Private Limited	Bengaluru	Company Secretary
19	Arvind Limited	Ahmedabad	Company Secretary
20	ASG Kompanero Private Limited	Kolkata	Company Secretary
21	Asian Hotels (East) Limited	Kolkata	Asst. CS
22	Baba Food Processing India Limited	Ranchi	Company Secretary
23	Bagalkot Cement & Industries Limited	Mumbai	Company Secretary
24	Bluecraft Agro Private Limited	Ahmedabad	Company Secretary
25	Brindco Sales Private Limited	New Delhi	Senior Executive
26	Capitalsquare Advisors Private Limited	Mumbai	Company Secretary
27	Cartrade Tech Limited	Mumbai	Asst. CS
28	Celica Developers Private Limited	Kolkata	Company Secretary
29	Crest Ventures Limited	Mumbai	Company Secretary
30	CSCI Steel Corporation India Private Limited	Bharuch	Company Secretary
31	Dolomite Restaurants Private Limited	Delhi	Company Secretary
32	Egis India Consulting Engineers Pvt. Limited	Gurgaon	Senior Executive
33	Equipp Social Impact Technologies Limited	Hyderabad	Company Secretary
34	Fanidhar Mega Food Park Private Limited	Ahmedabad	Company Secretary
35	Genesis Advertising Private Limited	Kolkata	Company Secretary
36	Gitanjali Finance Private Limited	Kolkata	Company Secretary
37	Global Japan Aap Consulting Private Limited	Chennai	Company Secretary
38	Great Wall India Research & Dvpt. Pvt. Ltd.	Bengaluru	Company Secretary

39	Haveus Aerotech India Limited	Gurgaon	Company Secretary
40	Indiamart Intermesh Limited	Noida	Senior Executive
41	Indian Sucrose Limited	New Delhi	Company Secretary
42	Indigenesis Consulting Private Limited	New Delhi	Company Secretary
43	Jainam Broking Limited	Mumbai	Associate Manager
44	Janakalyan Financial Services Pvt. Ltd.	Kolkata	Asst. CS
45	Jayatma Enterprises Limited	Ahmedabad	Company Secretary
46	Juvenor Healthcare Private Limited	Nagpur	Company Secretary
47	Kalpataru Limited	Mumbai	Company Secretary
48	Kewal Kiran Clothing Limited	Mumbai	Company Secretary
49	Kinetic Engineering Limited	Pune	Asst. CS
50	Legal Raasta Technologies Private Limited	New Delhi	Company Secretary
51	Mahendra Brothers Exports Private Limited	Mumbai	Company Secretary
52	Manipalcigna Health Insurance Co. Limited	Mumbai	Company Secretary
53	Molbio Diagnostics Private Limited	Madgaon	Company Secretary
54	Murakami Manufacturing India Pvt. Ltd.	Ahmedabad	Company Secretary
55	Nakoda Group of Industries Limited	Nagpur	Company Secretary
56	Neeraj Paper Marketing Limited	New Delhi	Company Secretary
57	Onesource Ideas Venture Limited	Bhopal	Company Secretary
58	Oriental Structural Engineers Pvt. Ltd.	Delhi	Company Secretary
59	Poddar Global Private Limited	Delhi	Company Secretary
60	Punjab Logistics Infrastructure Limited	Ludhiana	Company Secretary
61	Rattan India Power Limited	New Delhi	Company Secretary
62	Richa Holdings Limited	Faridabad	Company Secretary
63	SAI Parentreals Private Limited	Hyderabad	Company Secretary
64	SB Landcon Private Limited	Ghaziabad	Company Secretary
65	Shigan Quantum Technologies Limited	Manesar, Gurgaon	Company Secretary
66	Shiksha Financial Services India Pvt. Ltd.	Chennai	Company Secretary
67	Shree Pushkar Chemicals & Fertilisers Ltd.	Mumbai	Company Secretary
68	SPS Steels Rolling Mills Limited	Kolkata	Company Secretary
69	Stellapps Technologies Private Limited	Bengaluru	Company Secretary
70	Tamilnad Mercantile Bank	Tuticorin	Company Secretary
71	The Clearing Corporation of India Limited	Mumbai	Assistant Manager
72	Tulip Compression Private Limited	New Delhi	Company Secretary
73	Yash Innoventures Limited	Ahmedabad	Company Secretary
74	Zoho Corporation Private Limited	Chengalpattu	Company Secretary

For more details, kindly visit ICSI Placement Portal - placement.icsi.edu

STATUS OF REGISTRATIONS AND POSTINGS AT THE PLACEMENT PORTAL

(As on June 28, 2024)

Registered Users			Total no. of Vacancies
Members	Students	Corporates	Jobs / Trainings
19,276	27,043	6,479	13,321

ICSI-SECTION 8 COMPANIES**ICSI INSTITUTE OF INSOLVENCY PROFESSIONALS**• **WORKSHOPS**

Date	Subject	Speaker(s)	YouTube link
June 01, 2024	Navigating the Intersection: IBC, Banking Laws & Credit Management	IP & CS S. Rajendran Mr. K. Sukumaran	www.youtube.com/watch?v=RqG1LOJoEiA
June 08, 2024	Decoding the Individual Insolvency and Pre-Packaged Insolvency	IP & Advocate Devvart Rana IP & CS Preeti Garg	www.youtube.com/watch?v=aRTE4lKNahE
June 15, 2024	Turnaround of Wholesale and Retail Sector under IBC	IP & CS Suhasini Ashok B. IP & CS Partha Kamal Sen	www.youtube.com/watch?v=TI4AWZfzMgM www.youtube.com/watch?v=7fHRfSv2FrE
June 24, 2024	Raising Interim Finance and Handling CIRP during Moratorium	IP, CS & CMA Madhusudan Sharma IP & CA Divya Somani	www.youtube.com/watch?v=rn1UqivbLLY www.youtube.com/watch?v=AfZ7NINLIKE

• **Webinars**

Date	Subject	Speaker(s)	YouTube link
June 07, 2024	Turnaround of Power Company under IBC	IP and CA Ashish Rathi	www.youtube.com/watch?v=tR7qjE1AXIk&t=11s
June 14, 2024	Important Supreme Court Judgements	IP, CS & CMA Siva Rama Prasad Puvvala	www.youtube.com/watch?v=QSNCANebZbQ
June 21, 2024	Important Supreme Court Judgements	IP, CS and CMA Siva Rama Prasad Puvvala	www.youtube.com/watch?v=5eGUc-Jqybs

• **Round-table (Virtual) Discussion**

Date	Subject	Speaker(s)	YouTube link
June 26, 2024	Reducing Compliance by Review of CIRP Forms submitted by Insolvency Professionals to IBBI	IP and CS S. Rajendran	www.youtube.com/watch?v=He47aawarkM

• **Joint Program**

- IBBI jointly with ICSI Institute of Insolvency Professionals, Indian Institute of Insolvency Professionals of ICAI and IPA of Institute of Cost Accountants of India conducted workshop for Insolvency Professionals on June 03, 2024.
- IBBI jointly with ICSI Institute of Insolvency Professionals, Indian Institute of Insolvency Professionals of ICAI and IPA of Institute of Cost Accountants of India conducted workshop for Insolvency Professionals on June 19, 2024.

ICSI REGISTERED VALUERS ORGANISATION

Activity	Topics / Title	Date	Faculty
50 Hours Course on Valuation of Securities/ Financial Assets (Online)	Valuation of Securities/ Financial Assets	June 05-11, 2024	<ul style="list-style-type: none"> • Dr. Ajay Garg • Mr. Chaitanya jee Srivastava • CS Harish Chander Dhamija • CS K. Chandra Sekhar • CS Kanishk Arora • CMA Murali Raman • CS Preeti Garg • CS Rajesh Mittal • CA Raveesh Chaudhary • CS Sandeep Kothari • CA Sumit Dhadda • CA Tarun Mahajan

ICSI – INTERNATIONAL ADR CENTRE

- **3-Day Residential/Non-Residential Workshop on Laws relating to Arbitration with Recent Case Studies by ICSI-CCGRT Mumbai in collaboration with ICSI-International ADR Centre during 21-23 June, 2024**

The inaugural session on June 21, 2024 was graced by Chief Guest, Hon'ble Justice (Retd.) Shri Ramesh D. Dhanuka, Former Chief Justice, High Court of Bombay, Guest of Honor, CS Devendra V Deshpande, Past President, The ICSI & Director of ICSI-International ADR Centre, and Adv. Ashish Gogate. Several sessions by speakers CS Atul Juvle, Adv. Gaurav Sharma, Adv. Zaman Ali, Adv. Ashutosh Kulkarni, Adv. Ashish Gogate, Adv. Pratik Irpatgire, Adv. Deepak Kumar Thakur evoked overwhelming response from the participants. The workshop concluded with the Valedictory Session, graced by Chief Guest, Hon'ble Justice Shri Manish Pitale of the High Court of Bombay and CS Praveen Soni, Central Council Member, The ICSI.

ICSI-CCGRTS

ICSI-CCGRT NAVI MUMBAI

- *21st RCLDP from May 24, 2024 to June 08, 2024*

The 21st RCLDP was concluded at CCGRT, Navi Mumbai on 8th June 2024 with the valedictory ceremony graced by the esteemed presence of CS (CA) Rakesh Bapna, Reliance Retail Ltd. CS Ajay Aggarwal, Co-Coordinator of CCGRT, Navi Mumbai was present in the Valedictory Ceremony and congratulated the participants. The programs boasted a distinguished line-up of faculties hailing from various domains, including CS B. Renganathan, PCS; CS Devendra V. Deshpande, PCS; CS Pawan G. Chandak, PCS; CS Kaustubh Koparka, Vice President Link InTime India Pvt. Ltd; CS Atul Juvle, General Counsel & CS, Schindler India Private Limited, and many more.

- *22nd RCLDP from June 20, 2024 to July 05, 2024*

The 22nd RCLDP at CCGRT, Navi Mumbai commenced from June 20, 2024. This program has gathered 22 participants from different parts of the country, fostering a diverse and immersive learning atmosphere. CS Sapna Chourasia graced the inaugural ceremony as the Chief Guest, imparting valuable insights and encouraging participants to leverage their network for personal and professional growth throughout the program.

- *Seminar on "Role of CS in Viksit Bharat@2047" to Celebrate PCS Day*

ICSI-CCGRT, Navi Mumbai, organized a seminar on June 15, 2024 to commemorate PCS Day on the theme "Role of CS in Viksit Bharat@2047". The seminar began with an engaging panel discussion on the topic "Role of CS in Viksit Bharat@2047". The panel

comprised distinguished professionals in the field: CS K. Venkataraman, CS Geeta Krishnan, CS Suresh Viswanathan, and CS Kush Gupta. The panel discussion was followed by a celebratory cake-cutting ceremony and thereafter a session on "Social Impact through CSR in Viksit Bharat@2047," led by CS Pradnesh Kamat. He underscored the crucial role of CSR in achieving the vision of a developed India by 2047.

- *3-Day Residential/Non-Residential Workshop on Laws relating to Arbitration with Recent Case Studies in collaboration with ICSI-International ADR Centre during June 21-23, 2024*

Three-Day Residential/Non-Residential Workshop on Laws relating to Arbitration, organized by ICSI-CCGRT, Navi Mumbai in collaboration with ICSI-International ADR Centre, was held from 21st to 23rd June 2024. The program got sizable registration of 25 participants from different regions of the country.

ICSI-CCGRT HYDERABAD

- *14th batch of RCLDP from June 10-26, 2024*

ICSI-CCGRT, Hyderabad organized its 14th batch of Residential Corporate Leadership Development Program at its campus from 10 June 2024 to 26 June 2024. 22 participants from all corners of the country participated in the program. Shri Venkat Changavalli, CEO-Insurance Information Bureau of India (IIB), Director-Sri Sri Holistic Hospitals & Director-Rubicon Research, Hyderabad graced the inaugural ceremony as the Chief Guest in the presence of CS R Venkata Ramana, Central Council Member. During the Valedictory, Wing Commander Anthony Anish (Retd), COO, T-Hub, Hyderabad graced the program as Chief Guest, and Ms. Sridevi Undavalli, Head HR, CCL Products (India) Limited, Hyderabad was Guest of Honour.

INITIATIVES FOR EMPLOYEES

WEBINAR ON "MANAGING CHOLESTEROL" BY DR. REDDY'S FOUNDATION

A webinar was organized on June 07, 2024 on the topic "Managing Cholesterol" by Dr. Reddy's Foundation for the benefit of ICSI employees and pensioners. All employees/veterans participated in the webinar presented by Dr. Rohit Kumar, Medical Advisor.

HEALTH TALK ON "DESIGNING WORKSPACES FOR WELLNESS: WORK ERGONOMICS & MENTAL HEALTH"

A Health talk on the topic "Designing Workspaces for Wellness: Work Ergonomics & Mental Health" was organized on June 28, 2024 by Medanta Hospital, Gurugram for the employees posted at HQ, Lodi Road. The session was presented by Dr. Ambuj Mishra, HOD & Sr. Physiotherapist. All the employees posted at HQ participated in the session.

INITIATIVES FOR STUDENTS

EVENTS

- **STUDENT MONTH IS BEING CELEBRATED ACROSS THE COUNTRY IN THE MONTH OF JULY 2024**

The Student Month is being celebrated in the month of July. Considering the grand success of this initiative, the student month is being celebrated in the month of July 2024.

Student Month will be filled with activities aimed at not just connecting with the future professionals or generate a feeling of oneness amongst them with the Institute but to share dedicated moments with them. From various competitions and launch of special initiatives like Online Centralised Classes, from online Soft Skills development Programmes, from “Samadhan Diwas”- Zero Grievance Day to Celebration of Career Awareness Week, from World Nature Conservation Day to Kargil Vijay Diwas, the month will witness all these events.

- **ALL INDIA COMPANY LAW QUIZ 2024**

The Company Law is a core subject under the Company Secretaryship Course. All India Company Law Quiz facilitates enhancing participation levels and the competitive spirit among the students. The objective of this competition is to upgrade the knowledge levels of students in Company Law and allied areas and to generate interest among the students for in-depth study of the subject including greater conceptual clarity.

The Registration for the competition starts from Monday, June 24, 2024 at 10:00 AM through online mode.

The Schedule of Rounds of the Competition will be held via Online/ Physical Mode as per the following:

Preliminary Round	Friday, August 30, 2024 (10 AM - 5 PM)	Online Mode (MCQ pattern)
Quarter Final Round	Friday, September 27, 2024 (10 AM - 5 PM)	
Semi-Final Round	Tuesday, October 22, 2024 (10 AM - 5 PM)	
Final Round	Saturday, November 16, 2024	Physical/Virtual as decided by Institute

FACILITATION AND RELAXATION

- **CENTRALIZED FREE ONLINE CLASSES FOR EXECUTIVE AND PROFESSIONAL PROGRAMME**

ICSI is conducting free online Centralized classes for the students of Executive Program (New Syllabus) and Professional Programme (New Syllabus) from July 01, 2024 onwards. These Classes are being conducted

free of cost for the students. The classes are being conducted for the students eligible to appear in December 2024 examination and the duration of the classes will be 4-5 months. Students registered for these classes will be eligible to get exemption from pre-exam test subject to clearing of tests of respective group/s. Further, students registered for these classes will also be given free access to online doubt clearing classes conducted by the Institute.

- **JUNE 2024 EXAMINATIONS SUCCESSFULLY CONDUCTED**

Executive and Professional programme Examination under syllabus 2017 & 2022 for June 2024 which was scheduled from June 02-10, 2024 conducted smoothly with zero error. Admit Cards were successfully issued to the students enrolled of June 2024 Exam.

- **ALLOWING EXECUTIVE & PROFESSIONAL PROGRAMME STUDENTS ONE MORE ATTEMPT UNDER OLD SYLLABUS: DECEMBER 2024 & JUNE 2025 SESSION OF EXAMINATION RESPECTIVELY**

The Institute has decided that the students of Executive & Professional Programme (2017 old syllabus) shall be allowed one more attempt during the December, 2024 & June 2025 session of examinations respectively. The detailed information is hosted at: www.icsi.edu/media/webmodules/Announcement_One_More_Attempt_13062024.pdf

CS Course	Last Session of Examination under Old Syllabus (2017)	Additional Attempt under Old Syllabus (2017)	All Examination (Executive under New Syllabus 2022)
Executive Programme	June 2024	December 2024	June 2025
Professional Programme	December 2024	June 2025	December 2025

All students of Executive & Professional Programme (Old Syllabus 2017) shall be compulsorily switched over to 2022 (New syllabus) from June, 2025 & December 2025 respectively.

- **DEDICATED HELPLINE NUMBER FOR STUDENT QUERIES**

The ICSI has introduced a dedicated helpline number to handle queries related to Student Registration, Post Registration, Class Room Teaching and Enrolment. Students can contact at 0120-4082170 (From Monday to Friday 9.30 A.M. to 5.30 P.M.).

- **NEW EXAMINATION CENTRE FOR JUNE 2024 SESSION OF EXAMINATION**

A New Examination Centre has been opened at ASANSOL (West Bengal; Centre Code: 113) on ad-hoc basis for Company Secretaries Examination

(June-2024 session). Accordingly, candidates can opt for the new Examination Centre while enrolling for Company Secretaries June, 2024 Examination

- **ENCOURAGING STUDENTS TO COMPLETE CS COURSE AFTER PASSING EXECUTIVE PROGRAMME**

Many students started their CS Course with enthusiasm and ambition, but due to some personal reasons, the students discontinued their studies after passing the Executive. However, completing CS Course can be one of the best decisions they will ever make for their future. Considering this we are regularly communicating with the students via bulk mail/bulk sms who have passed Executive but not registered for Professional to complete their CS Course. As a result, more than 2455 students registered in Professional Programme up to June 2024.

- **ICSI WAIVER/ CONCESSION SCHEME FOR INDIAN ARMED FORCES, PARAMILITARY FORCES, AGNIVEERS AND FAMILIES OF MARTYRS**

The Institute in alignment with the various initiatives of Govt. of India has launched ICSI Waiver/ Concession scheme for Indian armed forces, paramilitary forces, Agniveers and families of Martyrs. Under the scheme, 100% concession will be given to the following categories in full Fee payable at the time of Registration in CS Executive programme. While all other fees, including those for trainings be applicable in full as per their respective category:

- ♦ *Wards and widows of martyrs (who have died during service; either during battle casualty or due to any other reason) of Indian Army, Indian Air Force, Indian Navy and all para-military forces.*
- ♦ *In Service/ Retired personnel of Indian Army, Indian Air Force, Indian Navy and all para military forces (including defence personnel who have taken retirement under short service commission).*
- ♦ *Wards of all personnel of Indian Army, Indian Air Force, Indian Navy and all para military forces (including wards of defence personnel who have taken retirement under short service commission).*
- ♦ *Candidates who are inducted as "Agniveer" under AGNEEPATH Scheme of the Government of India after completing four years under the Scheme (upon submission of documentary evidence for the same).*

- **ICSI SAMADHAN DIWAS**

ICSI successfully conducted the 44th Samadhan Diwas, on Wednesday, June 12, 2024. Samadhan Diwas is a unique initiative of the ICSI wherein "on-the-spot" resolution is provided on issues/grievances of trainees and trainers.

The purpose of the Samadhan Diwas is to facilitate the stakeholders to resolve their queries on the spot. In the Samadhan Diwas students get opportunity to present their cases and directly interact with the ICSI officials.

- **ACTIVATION OF SWITCHOVER OPTION ALONG WITH PRE-EXAMINATION FEE FOR PROFESSIONAL PROGRAMME OLD SYLLABUS (2017) STUDENTS**

The Institute has notified that candidate who have registered under the CS Professional old syllabus (2017) can switch over to CS Professional new syllabus (2022) comprising 7 papers. Accordingly, the portal for switchover from old syllabus (2017) to New Syllabus (2022) along with Pre-Examination Fee has been activated for Professional Programme Students w.e.f., November 20, 2023.

- **TRANSCRIPTS & EDUCATION VERIFICATION**

It has been observed that on completion of Course the professionals are also applying for Foreign Courses / degrees /or immigration based on CS Qualification. During the month, 36 Transcripts were issued.

Likewise, on request of the employer/PSU/government authorities and other Education verifier agencies, 03 Education Verification requests of CS students were processed.

- **REGISTRATION FOR CLASSES BY REGIONAL/ CHAPTER OFFICES AT THE TIME OF EXECUTIVE PROGRAMME REGISTRATION**

Institute has facilitated Executive Programme students to register directly for the Executive Programme classes at the time of Executive registration. Executive Programme students can now register directly for the Executive Programme classes conducted by the Regional/Chapter Offices at the time of Executive Programme registration. This will help the students to join classes at their nearest Regional/chapter Office.

- **PAPER WISE EXEMPTION ON THE BASIS OF HIGHER QUALIFICATIONS**

The Institute has decided that the students enrolling into the Company Secretary Course under New Syllabus, 2022 shall be eligible for paper-wise exemption (s) based on the higher qualifications acquired by them. Accordingly, necessary announcement including process of claiming paper-wise exemption has been shared for information to all concerned: www.icsi.edu/media/webmodules/ATTENTION_STUDENTS_RECIPROCAL_EXEMPTION_NEW_SYLLABUS_2022_Updated.pdf

- **PROFESSIONAL PROGRAMME PASS CERTIFICATE OF ICSI IN DIGILOCKER**

The Institute decided to issue Professional Programme Pass Certificate online via DIGILOCKER. The same

initiative was Launched at 50th National Convention of ICSI at Kolkata with the support of the National e-Governance Division (NeGD), Ministry of Electronics and Information Technology (MeitY), Govt of India. The students who passed on or after June 2021 Session of Examination can download Professional Pass Certificate from DIGI Locker. Announcement hosted and Communication via Bulk Mail has been sent to students for extracting their Professional Pass Certificate for June 2023 & December 2023 Session of Examinations.

- **REAL TIME GUIDANCE FOR STUDENTS**

The Institute has prepared Frequently Asked Questions (FAQs) on the queries received from Stakeholders / Students to give more clarity on the issues and real time guidance. The FAQs are hosted on website at:

- ♦ *FAQ for Executive Switchover*

www.icsi.edu/media/webmodules/Executive_FAQ_SW_23022023.pdf; www.icsi.edu/media/webmodules/Declaration_to_cater_switchover_Request_of_executive_&_professional_old_ysllabus_students.pdf

- ♦ *FAQ for Professional Switchover to New Syllabus:*

www.icsi.edu/media/webmodules/Executive_FAQ_SW_23022023.pdf

TRAINING SUPPORT

- **TRAINING OPPORTUNITIES**

During the month, following training opportunities were posted on the Placement Portal:

ORGANIZATION	LOCATION	ORGANIZATION	LOCATION
Aryaman Financial Services Ltd.	Mumbai	Kewal Kiran Clothing Limited	Mumbai
Astute Consulting Pvt. Ltd.	Mumbai	Mahaveer Finance India Limited	Chennai
Bosch Rexroth (India) Pvt. Ltd.	Ahmedabad	Medi Assist Insurance Tpa Pvt. Ltd.	Bengaluru
Brigade Enterprises Ltd.	Bengaluru	Mro-Tek Realty Limited	Bengaluru
Clix Capital Services Pvt. Ltd.	Gurgaon	National Fertilizers Limited	Noida
Corporate Professionals Capital Ltd.	Mumbai	National Stock Exchange of India	Mumbai
Crest Ventures Limited	Mumbai	Onmobile Global Limited	Bengaluru
DB (International) Stock Brokers Ltd.	Noida	Orchid Pharma Limited	Gurgaon
Delta Electronics India Pvt. Ltd.	Gurgaon	Pasari Spinning Mills Limited	Bengaluru
Eldeco Infrastructure & Properties Ltd.	New Delhi	Prestige Estates Projects Limited	Bengaluru
FIL Industries Private Ltd.	New Delhi	Raheja Universal Private Ltd.	Mumbai
Fortis Healthcare Ltd.	Gurgaon	Sanaatan Info-Infra Technologies Ltd.	Chandigarh
Gajam India Private Ltd.	New Delhi	SRG Housing Finance Limited	Mumbai
Gitanjali Finance Pvt. Ltd.	Kolkata	SRI KPR Industries Limited	Hyderabad
Hindustan Urvarak & Rasayan Ltd.	New Delhi	Tarsons Products Limited	Kolkata
Indiamart Intermesh Limited	Noida	Trent Limited	Mumbai
Jayant Agro-Organics Limited	Mumbai	VC Corporate Advisors Pvt. Ltd.	Kolkata
Kamarajar Port Limited	Chennai	Vridhi Finserv Home Finance Ltd.	Bengaluru

For more details, kindly visit ICSI Placement Portal - placement.icsi.edu/PlacementApp/

COMPANY SECRETARY EXECUTIVE ENTRANCE TEST (CSEET)

During the month, following initiatives were taken for the CSEET students:

- **Centralized free online Classes of CSEET – July Session**

ICSI has introduced online Centralized classes for the students of CSEET from 16th December 2023 onwards. These Classes were conducted free of cost for the students. The classes for July 2024 Session of CSEET commenced from 18th June 2024.

- **Registration for CSEET Classes at the time of CSEET Registration**

CSEET students can now register directly for the CSEET classes conducted by the Regional/Chapter Offices at the time of CSEET registration. This will help the students to join classes hassle free at their nearest location.

Link to register smash.icsi.edu/Scripts/CSEET/Instructions_CSEET.aspx

- **Exemption to Graduates and Post Graduates from appearing in CSEET and enabling them to take direct admission in CS Executive Programme**

The Institute has decided to grant exemption to the following categories of students from appearing in CSEET enabling them to take direct admission in CS Executive Programme.

Graduates (having minimum 50% marks) or Post Graduates (without any criteria of minimum % of marks) in any discipline of any recognized University or any other Institution in India or abroad recognized as equivalent thereto by the Council.

To get exemption from CSEET on the basis of above qualification, such students shall be required to pay applicable exemption fees along with the requisite registration fees for the Executive Programme. For more details, please click

www.icsi.edu/media/webmodules/granting_exemption_230621.pdf

- ***CSEET Reading Material to be provided mandatorily to all students***

The Institute has decided that the **CSEET Guide – I** and **CSEET Guide – II** will be sent to all the students registering for CSEET by post, for which ₹500 will be taken at the time of registration from the students registering for CSEET in addition to ₹1000 (CSEET Registration fee).

- ***CSEET Reference Reading Material (I and II) for all students at the time of CSEET registration on optional basis***

CSEET Reference Reading Material (I and II) will be provided optionally to all the students at the time of CSEET registration. Students are required to remit ₹1000 in addition to ₹1500. The same is available at: www.icsi.edu/reference-reading-material/

KNOWLEDGE UPGRADATION

- ***Student Company Secretary and CSEET Communique***

The Student Company Secretary e-journal for Executive/ Professional Programme students of ICSI and CSEET Communique covering latest updates on CSEET subjects have been released for the month of **June, 2024**. The journals are available on the Academic corner of the Institute's website at the link: www.icsi.edu/e-journals/

- ***Research Tab under Academic Portal for students***

A new research tab has been added under the Academic Portal to sensitize the students on emerging issues through research based academic outputs. The Research Tab can be accessed at www.icsi.edu/student-n/academic-portal/research-corner/.

- ***Recorded Video Lectures***

ICSI has been recording video lectures of eminent faculties for the students of ICSI which help them to prepare for the examination. Students of the

Institute can access recorded videos available on the E-learning platform by logging in to elearning.icsi.in

Login credentials are sent to all registered students at email. After successful login, go to "My courses" or "My Communities" section, where you can find the recorded videos and other contents.

- ***Info Capsule***

A Daily update for members and students, covering latest amendment on various laws for benefits of members & students available at www.icsi.edu/infocapsule/

CAREER AWARENESS

- ***Career Awareness Programmes in Army Public Schools across the country***

ICSI through the support of Ministry of Defence is conducting extensive Career Awareness Programmes in various Army public Schools in the country to sensitize the students, parents and teachers about the CS Profession.

- ***Career awareness Programmes, Career Fairs being conducted across the country by ICSI-HQ and Regional Chapter offices***

ICSI-HQ and Regional/Chapter offices are conducting Career awareness programmes and Career Fairs across the country on regular basis to create awareness regarding CS Profession amongst the prospective students.

ICSI-HQ organised and conducted following Career Fairs and Career Awareness Programmes in the month of June 2024 in addition to the other programmes being conducted by RC/Chapter offices across the country.

Career Awareness Programmes				
S. No.	Region	Name	Date	Venue
1	EIRC	Delhi Public School	June 26, 2024	Guwahati
2	EIRC	Maharishi Vidya Mandir School	June 25, 2024	Guwahati
3	WIRC	Reliance Foundation	June 28, 2024	Navi Mumbai
Career Fairs				
S. No.	Region	Event Name	Date of Event	Venue
1	NIRC	EDUCATUS EXPO 2024	June 08-09, 2024	Pragati Maidan, Delhi

25th National Conference of Practising Company Secretaries held on June 14-15, 2024 at Ayodhya

Theme: Role of CS in Viksit Bharat@2047

Chief Guest : Shri Asim Arun, Minister of State (Independent Charge) Social Welfare, Scheduled Caste and Tribal Welfare

Special Guest : Shri Nitish Kumar, IAS, District Magistrate, Ayodhya

INAUGURAL SESSION



TECHNICAL SESSION - I

CSR – Contribution of Corporates for Development of the Nation



TECHNICAL SESSION - II

FDI - Catalyst for India's Colossal Growth – Role of PCS



OPEN HOUSE SESSION



Opportunities For CS in Bangladesh

Speaker : S.Abdur Rashid, Past Council Member,
The Institute of Chartered Secretaries of Bangladesh



TECHNICAL SESSION - III

Leveraging the potential of Startups, Fintech and MSMEs



TECHNICAL SESSION - IV

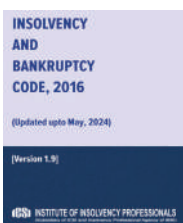
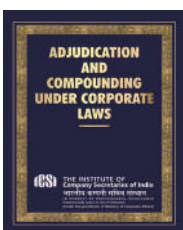
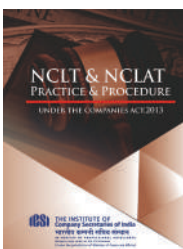
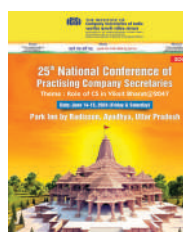
Governance Mantras from Ramayana for Corporate World – Guiding Light for Growth of the Nation



GROUP PHOTO



Releases at the 25th National Conference of Practising Company Secretaries



Proceedings of the 25th National Conference of Practising Company Secretaries held on June 14-15, 2024 at Ayodhya

THEME - ROLE OF CS IN VIKSIT BHARAT @2047

The Institute organized its 25th National Conference of Practising Company Secretaries at Hotel Park Inn, Radisson, Ayodhya on the theme “Role of Company Secretary in Viksit Bharat @2047”. The Conference witnessed the presence of around 500 delegates present in person and 3800 delegates connected virtually from different parts of the country. A galaxy of distinguished guests, invitees, speakers, professionals and students made the Conference a grand success.

INAUGURAL SESSION

The Conference was inaugurated by the Chief Guest, Shri Asim Arun, Hon'ble Minister of State (Independent Charge), Social Welfare, Scheduled Caste and Tribal Welfare; and the Special Guest, Shri Nitish Kumar, IAS, District Magistrate, Ayodhya, Government of Uttar Pradesh.

CS Jatin Singal, Chairman, NIRC, The ICSI introduced the Chief Guest, the Special Guest and other dignitaries on the dais. He expressed his happiness and gratitude towards Central Council of the ICSI for providing opportunity to Lucknow Chapter and the NIRC for organizing this Conference. Quoting Swami Vivekananda “Arise, awake and stop not till the goal is reached”, he spoke on the vision of Viksit Bharat that envisions transforming India into a developed nation.

CS Suresh Pandey, Programme Director & Council Member, The ICSI, welcomed all to the Conference in the historic city of Ayodhya and mentioned about the vision of our Hon'ble Prime minister to make India Viksit Bharat by the year 2047. He highlighted the five pledges of Hon'ble Prime Minister, particularly underscoring the third pledge “Pride in Heritage” which encourages embracing India's rich cultural and historical legacy - a key inspiration for hosting this silver jubilee edition of the 25th National Conference in the sacred city of Ayodhya. He also underscored the crucial role of Company Secretaries in various facets of development including their contributions to the capital market thereby fostering the overall economic growth of the country.

CS Dwarakanath Chennur, Council Member & Chairman, PCS Committee, The ICSI introduced the theme of the Conference and deliberated upon the

pivotal role of the Company Secretary in facilitating the development journey of India towards the vision of Viksit Bharat. He highlighted that Company Secretaries ensure effective stakeholder engagement, extending beyond the confines of boardrooms and corporate corridors to bridge the gap between corporations and stakeholders. He also discussed the remarkable growth of Startups, Fintechs and MSMEs and emphasized on the vital role of Company Secretaries in fostering sound Corporate Governance practices within these sectors. He further highlighted the necessity of a collaborative approach involving the government, private sector, professionals, academia and citizens to secure India's position among the top three economies by 2047.

CS Dhananjay Shukla, Vice President, The ICSI in his address spoke of verses from Tulsidas's Ram Charit Manas and described the essential principles of good Corporate Governance derived from the qualities of Shri Ram like righteousness, ethical leadership, sacrifice, integrity and fair decision making. Further he spoke about the importance of good managers in Corporate Governance and explained the role of Company Secretary to give fair advice and always speak up against wrong actions for the benefit of the society. He discussed the diverse set of responsibilities of Company Secretaries requiring meticulous planning and right perspective in the right manner and also spoke of how the ICSI's Secretarial Standard 1 & 2 are symbolic of doing the right things at the right time. Appreciating the right decision making at right time he also highlighted the timely decision of the President and Council, ICSI w.r.t. the extension of CS examinations of old syllabus Executive and Professional students which aims at inclusive growth of the Institute, He concluded by acknowledging the role of Company Secretaries as good corporate governance professionals.

CS B. Narasimhan, President, The ICSI, commenced his presidential address by welcoming the dignitaries and the delegates to the Conference. He thanked the Chief Guest for gracing the occasion and expressed his delight on the Conference being organized in Ayodhya. He also briefed on selection of the theme of the Conference which aimed at deliberating upon the evolving role of Governance Professionals towards the vision of Viksit Bharat. He stated that India's economy has demonstrated robust and resilient growth over the past decade and the vision of Viksit

Bharat by the year 2047 requires conscious focus on a more comprehensive 'GDP', i.e., 'Governance, Development and Performance'. He mentioned that the role of professionals in building a vibrant India under the Viksit Bharat vision is paramount and further emphasized upon 4S's i.e., Skill, Scale, Speed and Sustainability. He mentioned that the 25 coveted years of the practice side of Profession have provided a conducive environment for fostering a culture of good governance in the country. He further mentioned that as the Indian economy is progressing towards the USD 5 trillion target over the next two years and the USD 10 trillion target by 2030, the demand for Company Secretaries will be tremendous in Capital Markets.

Presidential address was followed by the releases, facilitated at the august hands of the Chief Guest and Special Guest along with the other dignitaries present on the dais:

- Souvenir – 25th National Conference of Practising Company Secretaries
- Publication on NCLT & NCLAT – Practice and Procedure (under Companies Act, 2013)
- Publication on Adjudication and Compounding Under Corporate Laws
- Publication on Decriminalisation of Offences – Emerging Trends in Adjudication (Opportunities for Professionals)
- Chartered Secretary Collector's Series – Oppression and Mismanagement
- IBC Code (Version 1.9) (Updated till May 2024)
- IBC Rules and Regulations (Version 1.9) (Updated till May 2024)
- Video and Flyer of ICSI Middle East conference
- Flyer of Block your Diary – 5th National Conference of Corporate CS
- Flyer of ICSI Business Leaders' Development Programme

Shri Nitish Kumar, IAS, District Magistrate, Ayodhya, Government of Uttar Pradesh, special guest at the Conference, emphasized on adoption of inclusivity, sustainability and shared that one of the most important pillars of Good Governance is taking everyone along. He mentioned the Company Secretaries play an important role in ensuring that CSR activities are outcome oriented. He discussed the scope of CSR activities in Ayodhya and encouraged the gathering to be the catalyst upholding high standards of professionalism and Rule of Law to drive the Nation forward. He acknowledged the evolution of the role of Company Secretaries from mere record keepers

to custodians of good Corporate Governance and its transformation into key pillar of governance entrusted with the responsibility of upholding the principles of transparency and ethics in corporate India. He encouraged the professionals to utilise their expertise in developing strong policies that will demonstrate a renewed commitment of supporting the nation in its journey towards Viksit Bharat.

Shri Asim Arun, Chief Guest, while delivering his address thanked the Institute for organising its 25th National Conference of Practising Company Secretaries in Ayodhya. He acknowledged the crucial role of Company Secretaries as conscience keeper of the Indian corporates and emphasised on the importance of compliances for creating an enabling environment for sustainable development and social inclusion. He highlighted that Company Secretaries are the crucial quality control persons that we need, to help bring ease of doing business and more importantly help the Nation become *Vishwaguru*. He shared that "Sustainability has been a concept since ages in India, what is needed is blending it with innovation and technology and urged the Company Secretaries to become *Vishwa-shishya* and learn from the world before becoming *Vishwaguru*. His address delved into various facets including policy frameworks, business practices, environmental impacts and explored the intersection of economic growth with principles of social inclusivity and sustainability within the context of India. He briefed on Invest UP, the Investment Promotion & Facilitation Agency of the Government of UP and also apprised on the State's commitment to CSR for fostering a culture of responsible corporate citizenship that contributes to the nation's growth and development. He appreciated the Institute for releasing publications with strong SOPs for promoting implementation of best governance practices and emphasised that learning, creating and complying with strong procedures can optimize productivity, minimise risk of failures and bring about best results for the corporates. He concluded with a consensus on the imperative for affirmative action to embed the principles of social inclusion and sustainability into the fabric of India's economic development strategy.

CS Asish Mohan, Secretary, The ICSI proposed the Vote of thanks and expressed his sincere gratitude and greetings to each and everyone for igniting the spirit of transformation and diversification at the 25th National Conference of Practising Company Secretaries. He wished everyone a very Happy PCS Day and expressed his sincere thanks and gratefulness to the delegates present in person and also in virtual mode. He stressed upon ICSI's vision to produce good publications and reading materials of contemporary use for the benefit of the members and other stakeholders. He inspired one and all to continue to work towards the realization of the vision of Viksit Bharat where Company

Secretaries serve as a catalyst for inclusive growth, shared prosperity & progress for all.

FIRST TECHNICAL SESSION - CSR - CONTRIBUTION OF CORPORATES FOR DEVELOPMENT OF THE NATION

Session Coordinators: CS Rajesh C. Tarpara and CS Praveen Soni, Council Members, The ICSI.

Panelists: Shri Rishi Raj, IAS, Chief Development Officer, Ayodhya, Government of Uttar Pradesh, CS Seema Rath, Registrar of Companies, Kanpur, Uttar Pradesh, CS P. K. Rustagi, VP (Legal) & Company Secretary, JK Tyre & Industries Ltd.

CS Rajesh C. Tarpara in his introductory remarks briefed about session theme, welcomed all the learned panelists and invited them for sharing their views and experiences with the delegates.

Shri Rishi Raj in his address emphasized the importance of collaboration between the Government and Professionals like Company Secretaries for maximizing the impact of CSR initiatives and driving inclusive growth across the country. Highlighting the importance of collective efforts in shaping an inclusive future for India, he said that the Government attempts to engage with Professionals to ensure holistic development of the nation. He highlighted the role of CSR initiatives in Education sector for bridging the socio-economic disparities in India and shared that Sustainability is an important aspect at the Centre of Spirituality, Ayodhya. He emphasized that initiatives aimed at social inclusion can address the disparity in income and acknowledged the role of Company Secretaries in ensuring that the surplus of corporates is distributed equally. He concluded by highlighting the indispensable role of CSR in driving national development for achieving the vision of Viksit Bharat.

CS Seema Rath in her address shared the philanthropic roots of CSR, its evolution, the decade long journey and highlighted the proactive steps taken by the Government to strengthen the CSR ecosystem of India. She briefed on Niti Aayog's Aspirational Districts Programme launched to accelerate improvement in socio-economic indicators of 211 most underdeveloped districts across the country and urged the corporates to take up CSR initiatives in these districts in compliance with Schedule VII of the Companies Act, 2013. She said that CSR is a powerful tool for driving positive change, empowering communities and fostering sustainable development and urged the Company Secretaries to promote CSR within their companies by choosing the right initiatives and maximizing their positive impacts on the social and environmental landscape of India. She concluded by highlighting the importance of collaboration between the Government and Company Secretaries, scalability of CSR initiatives, and the role of education in fostering inclusive growth.

CS P. K. Rustagi addressed on the role of Company Secretaries as the prime mover in pursuing the CSR and ESG Agenda in the corporates. He highlighted the changing CSR landscape and discussed the benefits of effective integration of CSR and Sustainability in the core business strategy. He shared how the signing of the Paris Climate Agreement and the creation of the United Nations Sustainable Development Goals in 2015 further emphasized the importance of sustainability and shared the advantages of sustainability practices adopted in JK Tyre & Industries Ltd. such as attracting investments, strengthening stakeholder relations, talent retention, lower cost of capital, operational efficiencies and enhanced goodwill and reputation of the Company. He concluded by urging the Company Secretaries to embrace CSR and advocate for effective integration of ESG principles to drive sustainable success for the corporates.

The panelists deliberated on the various issues pertaining to the theme of the session and also answered suitably to various queries which made the deliberations fruitful and interactive.

Thereafter, CS Praveen Soni summed up the discussions and proposed the Vote of Thanks.

SECOND TECHNICAL SESSION - FDI - CATALYST FOR INDIA'S COLOSSAL GROWTH – ROLE OF PCS

Session Coordinators: CS Pawan G. Chandak and CS Mohan Kumar Aravamudhan, Council Members, The ICSI.

Panelists: CS Sudha G. Bhushan, Founder, Manage My Expat, CS Devendra V. Deshpande, Former President, The ICSI, CS Vikas Agarwal, Co-Founder, LegaLogic Consulting.

CS Pawan G. Chandak in his introductory remarks briefed about the session theme and welcomed all the learned panelists and invited them for sharing their views and experiences with the delegates.

CS Sudha G. Bhushan deliberated that India is on a transformative journey and highlighted that India will grow at a minimum 7% p.a. in the next 10 years as per the global forums and it is going to be a golden era for all the professionals. She spoke about how our demographic dividend and stability has been a driving factor in India's journey towards Viksit Bharat. Through her deliberation, she detailed extensively about how the mechanism of FDI has evolved in the country. She mentioned that the SME IPO, joint ventures and startups in the defense sector can also become the major practice areas for the professionals. She also talked about how the government has been promoting FDI through its policies and budget expenditures. She concluded by advising the professionals to be vigilant and proactive while dealing with foreign funding.

CS Devendra V. Deshpande emphasized that the role of Company Secretaries should not be restricted to certification and encouraged the professionals to work upon developing themselves and the profession. He highlighted the increasing scope in FEMA due to increase in cross border mergers and advised the Company Secretaries to continuously work on their knowledge, skills and visibility upgradation for evolving their role into FEMA solution providers. He discussed how the Company Secretaries can act as advisors in planning the structure for foreign investments and stressed on the importance of being well conversant with relevant acts along with the circulars, notifications and any other information published by the government. He also shared valuable insights on the imbalance of Balance of Payments and how the advice of Company Secretaries can be beneficial for better compliances in the corporates which will contribute towards Indian economic growth.

CS Vikas Agarwal through his deliberations guided the professionals to develop an open thought process while dealing in FDI matters. He spoke about the structuring processes in FEMA and also shared the possible risks associated with them. He discussed his personal experiences while dealing with different foreign firms, which were a source of guidance for all. He also deliberated on the importance of due diligence of the companies and advised the members to delve deeper into the affairs of the foreign company. He stressed on the role of Company Secretaries as statutory compliance officers and how they have a bigger role to play in foreign funding. He advised the members to be fair and transparent while guiding their clients to ensure that the Indian economy is benefitted at large with these foreign investments.

The panelists deliberated on the various issues pertaining to the theme of the session and also answered suitably to various queries which made the deliberations fruitful and interactive.

Thereafter, CS Mohan Kumar Aravamudhan summed up the discussions and proposed the Vote of Thanks.

OPEN HOUSE SESSION

25th National Conference of Practising Company Secretaries had an Interactive Open House Session of the President, Vice President and the Council Members, ICSI with the members. CS B. Narasimhan, President, ICSI, CS Dhananjay Shukla, Vice-President, ICSI, CS Manish Gupta, CS Suresh Pandey, CS Manoj Kumar Purbey, CS Pawan G. Chandak, CS Praveen Soni, CS Rajesh C. Tarpara, CS Dwarakanath Chennur, CS Venkata Ramana R., CS Mohan Kumar

Aravamudhan, CS Rupanjana De, Council Members, ICSI and CS Asish Mohan, Secretary, ICSI were present on the dais at the session.

CS B. Narasimhan, President, ICSI briefly introduced all the Council Members and the Committees and areas they are heading. After the introduction the President opened the floor for member queries. All the queries were suitably replied by the President alongwith the other Council Members.

THIRD TECHNICAL SESSION - LEVERAGING THE POTENTIAL OF STARTUPS, FINTECH AND MSMEs

Session Coordinators: CS Manoj Kumar Purbey and CS Venkata Ramana R., Council Members, The ICSI.

Panelists: Shri Rajendra Agrawal, Former Member of Lok Sabha, CS Nagendra D. Rao, Former President, The ICSI, Shri Mohit Bansal, Founder & Managing Director, Credhub Infotech Private Limited.

CS Manoj Kumar Purbey in his introductory remarks briefed about session theme, welcomed all the learned panelists and invited them for sharing their views and experiences with the delegates.

Shri Rajendra Agrawal highlighted the increasing capabilities, skill development of Startups, MSMEs and Fintechs. He discussed that more than 80,000 startups have benefitted from the Tax Incentive Schemes and Funding Schemes. He also discussed about the benefits of developed ecosystem and the increase in the number of patents. He also discussed about the important role played by Company Secretaries in Startups and MSMEs and how the economy will be benefitted from this in future.

CS Nagendra D. Rao started his address with a proverb "Small is beautiful" and related this quote with Startups, Fintech & MSMEs. He said that 96% of the industrial units in the Indian financial landscape are small businesses. He also referred to Company Secretaries as the true mentors for MSMEs as all the advisory services in terms of filing requirements, advising and mentoring the board are provided by them. He further said that Company Secretaries govern their companies based on a certain set of principles and Governance norms and it is imperative for MSMEs and Start-ups to ensure that their governance structures appropriately correspond to their activities and risks. He further mentioned that the support of Practising Company Secretaries is important in providing governance and proper legal system to this sector and concluded that the Company Secretaries are indispensable for the success of MSMEs and Startups and should become a part of their growth and sustainability.

Shri Mohit Bansal addressed on challenges and opportunities in Startups, Fintechs and MSMEs and discussed about various technologies and financing options like UPI, IMPS, etc. He categorized the MSMEs into rural and urban and highlighted the need of addressing problems like capital infusion and cash flow management for the SMEs. He shared that Fintechs and NBFCs are the major source of funding to MSMEs and emphasized on devising good business models for both Startups and MSMEs to overcome the challenges faced during funding. He discussed about various technologies such as Microsoft automate, Power-Flo technologies and their benefits for the MSMEs and also spoke of the abundant opportunities for Company Secretaries in the Startup & MSME sector.

The panelists deliberated on the various issues pertaining to the theme of the session and also answered suitably to various queries which made the deliberations fruitful and interactive.

Thereafter, CS Venkata Ramana R. summed up the discussions and proposed the Vote of Thanks..

FOURTH TECHNICAL SESSION - GOVERNANCE MANTRAS FROM RAMAYANA FOR CORPORATE WORLD – GUIDING LIGHT FOR GROWTH OF THE NATION

Session Coordinators: CS Rupanjana De, Council Member, The ICSI, and CS Suresh Pandey, Programme Director and Council Member, The ICSI.

Panelists: Shri Surendra Nath Tripathi, IAS (Retd.), Director General, Indian Institute of Public Administration, Dr. Ashok Kumar Mishra, Council Member (Govt. Nominee), The ICSI and Ex-Technical Member, NCLAT, Shri Vinod Sharma, Regional Director, Northern Region, Ministry of Corporate Affairs, Govt of India, Dr. Heeraman Tiwari, Associate Dean, School of Social Sciences and Professor & Chairperson, Centre for Historical Studies, Jawaharlal Nehru University.

CS Rupanjana De in her introductory remarks briefed about the session theme, welcomed all the learned panelists and invited them for sharing their views and experiences with the delegates.

Shri Surendra Nath Tripathi emphasized on the five pledges of Viksit Bharat as outlined by Hon'ble PM Shri Narendra Modi. He articulated our transformation from a security state to a welfare state and stated that now we are heading towards being a kindness state, a state where government cares. Furthermore, he invoked the ideals of Ramrajya and emphasizing the integral role of Corporate Governance in ensuring sustainable practices, he urged the Company Secretaries to uphold these standards for the benefit of both the society and environment. He also mentioned about the Government of India's Mission

Karmayogi, aiming at empowering officials to facilitate seamless government-citizen interactions and foster competencies that enhance quality of life and ease of doing business.

Dr. Ashok Kumar Mishra highlighted twelve governance parameters and emphasized on transparency and accountability lessons drawn from the Ramayana. He urged the Company Secretaries to actively participate rather than remaining silent spectators of the Board. Through his deliberations, he advised the Company Secretaries to resist making decisions under pressure and avoid actions that could compromise their integrity while discharging their duties as the key managerial personnel of the corporates. His insights were beneficial for the members attending the session.

Shri Vinod Sharma acknowledged the role of Company Secretaries as the true advisor of corporates responsible for their effective administration with regard to compliance with statutory and legal requirements. Discussing the wisdom derived from the Ramayana and qualities of Shri Ram, he shared the importance of strong value system which can act as a guiding light for the professionals to effectively discharge their responsibilities and build a foundation for their company's success. He discussed about the ideals of Adarsh (what ought to be done) and Yatharth (what actually happens). He concluded by encouraging the gathering to not confine their limits, always exhibit moral principles, ensure efficient use of available resources and highlighted that we are always remembered for the impact created by our work.

Dr. Heeraman Tiwari began with stating "There is no better place to experience Ramayana than Ayodhya". He then elaborated on the various principles of Ramayana, including Dharma or Righteousness, and explained that Dharma is something which originates from within. He shared that Lord Rama's steadfast commitment to Dharma even in the face of personal trials underscores the importance of adhering to ethical principles. He concluded his address with the words "As long as the rivers and the mountains shall endure upon this earth, so long will the story of Lord Rama be told among the people".

The panelists discussed on the various issues pertaining to the theme of the session and also answered suitably to various queries which made the deliberations fruitful and interactive.

CS Suresh Pandey summed up the discussions and proposed the vote of thanks. At the end, he thanked one and all for the success of the 25th National Conference of Practising Company Secretaries.

Convocation 2024 - Western Region Held on June 29, 2024 at Indore

Chief Guest : Shri Shankar Lalwani, MP, Indore

Guest of Honour: CS Ashish Garg, Former President, The ICSI



PCS DAY CELEBRATIONS ACROSS INDIA



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Hooghly



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Faridabad



Chhatrapati Sambhajinagar



ICSI Celebrates Capital Markets Week, 2024



India's Vision 2047 encompasses a broad and ambitious plan to transform the Nation into a developed economy, emphasizing significant advancements across various sectors, including Capital Markets, infrastructure, technology, and social welfare. India is the 5th largest economy in the world today and aims to be the world's 3rd largest economy by 2027, as its GDP crosses US\$ 5 trillion. By 2047, India is poised to be a US\$ 30 trillion economy with all the attributes of a developed nation.

With a view to align the aspirations of New India there is need for a vibrant Capital Markets. The ICSI celebrated Capital Markets Week 2024, from June 28, 2024 to July 04, 2024 on the theme **"Viksit Bharat: Economic Acceleration through Capital Markets"**. During this week-long celebration, Mega Programmes were hosted in Mumbai, Chennai, Kolkata, and New Delhi, drawing participants from diverse financial sectors. Beside this, a dedicated Mega Programme for IFSCA, which was organized at GIFT City, Gandhinagar, Gujarat as part of the Capital Markets Week 2024.

In addition, numerous engaging activities such as panel discussions, lectures, interactive sessions with regulatory bodies and stock exchanges, and investor awareness programs were conducted by Chapters of ICSI in various cities.

(I) MEGA INAUGURAL PROGRAMME - MUMBAI



The Mega Inaugural Programme of Capital Markets Week, 2024 was celebrated on June 28, 2024 at National Stock Exchange of India Limited, Mumbai by ICSI-WIRO. The programme witnessed the gracious presence of **Shri Amarjeet Singh**, Whole Time Member, Securities and Exchange Board of India, as the Chief Guest and **Shri Ankit Sharma**, Chief Regulatory Officer - Listing



& Investor Compliance, National Stock Exchange of India Limited, as the Guest of Honour. CS B Narasimhan, President, The ICSI, delivered the Presidential address and articulated the theme "Viksit Bharat: Economic Acceleration through Capital Markets," wherein the emphasis was on the role of Capital Markets in India's economic development. CS Rajesh C Tarpara, Council Member, The ICSI & Programme Director gave an overview of the Capital Markets Week. CS Mehul Rajput, Chairman, ICSI-WIRC delivered the welcome address.

During Special Session, Shri Arjun Prasad, General Manager, International Financial Services Centres Authority gave detail insights on "IFSCA (Issuance and Listing of Securities) Regulations 2021 and proposed draft framework of IFSCA (Listing) Regulations, 2024". CS Praveen Soni, Council Member, The ICSI, gave his concluding remarks on the session.

The first panel discussion was on "Facilitating Ease of Doing Business with respect to LODR & ICDR - Regulatory Perspective vs Industry Perspective." CS Shailashri Bhaskar,

Practicing Company Secretary, CS Makarand Joshi, Founder and Senior Partner, Makarand M Joshi & Company and Shri Avishkar Naik, Vice President, Surveillance, NSE of India limited were the panellists at the session. The session was moderated by CS Amrita Nautiyal, Regional Council Member, ICSI-WIRC and CS Yogesh Choudhary, Regional Council Member, ICSI-WIRC.

The second panel discussion session on the topic “ESG Rating: A New Tool for Credibility,” featured CS Minal Bhosale, Company Secretary, CRISIL Limited, and Ms. Rita Pani, ESG Consultant, Institutional Investor Advisory Services India Limited (IIAS). The session was moderated by CS Praveen Soni, Council Member, The ICSI along with CS Sagar Kulkarni, Regional Council Member, ICSI-WIRC.

The program was attended by over 200 participants, comprising market regulators, intermediaries, academia, professionals.

(II) MEGA PROGRAMME - CHENNAI



The ICSI-SIRO celebrated the Mega Programme of Capital Markets Week, 2024 on June 29, 2024 at Hotel Savera, Chennai. CS R Venkata Ramana, Council Member & Programme Director delivered the welcome address and extended a warm welcome to CS Pradeep Ramakrishnan, Executive Director, International Financial Services Centres Authority as Special Guest and the participants present over there. CS Mohan Kumar, Council Member, the ICSI and CS Mahadev Tirunagari, Secretary, ICSI-SIRC also addressed the gathering during the Inaugural Session.

During first Session, CS Pradeep Ramakrishnan unveiled the proposed draft framework of IFSCA (Listing) Regulations, 2024, aimed at fortifying the regulatory landscape for International Financial Services Centres (IFSCs).

In the second Session, Shri. TG. Senthilvelan, Additional General Manager at BSE Chennai, discussed on “Empowering Growth: Unlocking Potential through SME IPOs.” The session focused on the pivotal role of SME Initial Public Offerings (IPOs) in fostering economic growth and enabling small and medium enterprises (SMEs) to access Capital Markets effectively. The session was coordinated by CS R Venkata Ramana, Council Member & Programme Director.

During the third Session, Shri Anshul Jain, Assistant Vice President, Corporate Secretarial, Reliance Retail Limited, deliberated on “Empowering Enterprises: Strengthening SME Governance & LODR Compliance.” The session addressed the critical aspects of governance and compliance under the Listing Obligations and Disclosure Requirements (LODR) framework, particularly focusing on its relevance and challenges for SMEs. The session was coordinated by CS Mohan Kumar, Council Member, the ICSI.

The panel discussion on “Facilitating Ease of Doing Business w.r.t LODR & ICDR - Regulatory Perspective vs Industry Perspective” featured Shri. Dhaval Shah, Senior Manager - Listing Compliance National Stock Exchange of India Limited, Shri. Anshul Jain, Assistant Vice President, Corporate Secretarial Reliance Retail Limited, and CS B Shanmugasundaram, Company Secretary, Coromandel International Limited. The Session was Moderated by CS Mahadev Tirunagari, Regional Council Member, ICSI-SIRC.

(III) MEGA PROGRAMME - KOLKATA



The ICSI-EIRC celebrated Mega Programme of Capital Market Week on June 29, 2024 at Hotel The Park, Kolkata. Shri Vikas SS, General Manager, Eastern Regional Office (ERO), Kolkata, Securities and Exchange Board of India graced the event as the Special Guest and delivered an inspiring address on the strategic importance of Capital Markets for businesses. CS (Dr.) Mohit Shaw, Chairman, ICSI-EIRC delivered the welcome address. CS Rupanjana De, Programme Director and Council Member, The ICSI in her address, provided a comprehensive overview of the current trends of Capital Markets and their impact on corporate governance. CS Bishal Harlalka, Secretary, ICSI- EIRC expressed his gratitude to all the guests and participants.

In the first Technical Session, CS Kishor Shah, Managing Director, SMIFS Capital Markets Limited, highlighted the outlook of Capital Market and empowering growth - unlocking potential through SME IPOs.

Thereafter, CS Subrata Kumar Ray, Past Chairman, ICSI-EIRC & Professor, MAKAUT, provided insights on ESG & Capital Market Interface. CS Rajesh Poddar, Deputy Company Secretary, ITC Ltd. delivered address on SEBI LODR compliances from Industry perspective.

In second Session, CS Ramaswami Kalidas, Partner, BNP & Associates, Mumbai discussed various recommended changes in SEBI (LODR) Regulations. CS Shankar Bhattacharya, Company Secretary, Neelachal Ispat Nigam Ltd. (subsidiary of Tata Steel Limited) provided insights on ESG & BRSR Compliances.

During, Third Technical Session, Mr. Siddhartha Sanganageri, Senior Manager, Regulatory, National Stock Exchange of India Limited addressed on the role of AI in monitoring compliances.

(IV) MEGA PROGRAMME – NEW DELHI

ICSI-NIRO celebrated the Mega Programme of Capital Markets Week Programme, 2024 at Hotel Holiday Inn, Mayur Vihar, New Delhi on June 30, 2024. Shri Harsh Malhotra, Hon'ble Minister of State for Corporate Affairs and Road

Transport & Highways, Government of India, graced the event as Chief Guest. CS Manoj Kumar Purbey, Council Member, The ICSI and Programme Director gave the theme introduction. CS Manish Gupta, Immediate Past President and Council Member, The ICSI apprised the hon'ble minister about the functioning of the Institute. CS Jatin Singhal, Chairman ICSI-NIRC delivered the welcome address and vote of thanks. CS Suresh Pandey, Council Member, The ICSI also addressed the participants at the Session.

The first panel discussion was on 'Facilitating Ease of Doing Business w.r.t LODR & ICDR – Regulatory Perspective vs. Industry Perspective'. CS Deep Mani Shah, Chief General Manager, Securities and Exchange Board of India, CS Harshad Dharod, Senior Manager, Listing Compliance, National Stock Exchange of India and CS Devendra V. Deshpande, Past President, The ICSI were the panellists. The session was moderated by CS Suresh Pandey, Council Member, ICSI & CS Himanshu Harbola, Secretary, ICSI NIRC.

The second panel discussion on 'Empowering Growth: Unlocking Potential through SME IPOs' featured insights from CS Ranjeet Pandey, Past President, The ICSI, CS Manish Gupta, Immediate Past President and Council Member, The ICSI and CS Nitin Somani, Managing Director, Sundae Capital Advisors Pvt Ltd. The session was moderated by CS Devender Suhag, Immediate Past Chairman, ICSI-NIRC and CS Manpreet Singh, Regional Council Member, ICSI-NIRC.

During the third technical session, Shri Arjun Prasad, General Manager, International Financial Services Centres Authority, provided an in-depth analysis and views on "Direct Listing under IFSCA."

The programme witnessed huge number of participants comprising Members and students of ICSI, Finance Professionals and Academicians.

(V) MEGA PROGRAMME – GIFT CITY, GANDHINAGAR

The Capital Market Week, 2024 concluded with the celebration of Mega programme of Capital Markets" on July 4, 2024 at Hotel Grand Mercure, GIFT City, Gandhinagar. The program was graced by Shri K. Rajaraman (I.A.S.), Chairperson, IFSCA as the Chief Guest. Shri Dipesh Shah, Executive Director, IFSCA, CS Praveen Trivedi, Executive Director, IFSCA, CS Pradeep Ramakrishnan, Executive Director, IFSCA and other officials from IFSCA also graced the occasion.

Shri K. Rajaraman (I.A.S.), Chairperson of IFSCA apprised about the role of Company Secretary in the Capital Markets and advised the CS professionals to follow their professional and moral ethics. CS B. Narasimhan, President, The ICSI addressed the members present over there and emphasise to encash the opportunities available through GIFT City and IFSCA in the CS Practice. CS Rajesh C Tarpara, Council Member, The ICSI introduced the theme, CS Yash Mehta, Chairman, Ahmedabad Chapter, The ICSI delivered the welcome address and CS Hitesh Bhamare, Chairman, Gandhinagar Chapter, The ICSI presented the vote of thanks.

CS Praveen Trivedi, Executive Director, IFSCA, set the tone for the proceedings with his introductory remarks. Shri Dipesh Shah, Executive Director, IFSCA, addressed the participants on the "Introduction to IFSCA and its Activities." His comprehensive overview provided valuable insights into the role, objectives, and ongoing initiatives of IFSCA.

Shri Arjun Prasad, General Manager, IFSCA, delivered a session on Direct Equity Listing and Sustainable Finance, providing participants with crucial insights into these dynamic areas. thereafter, Shri Praveen Kamat, General Manager, IFSCA, conducted an engaging session on Market Infrastructure Institutions (MIIs) and Broker Operations, shedding light on the operational aspects and regulatory frameworks.

Shri Ramakrishnan Padmanabhan, General Manager, IFSCA, and Shri Ramaneesh Goyal, Deputy General Manager, IFSCA, presented a detailed overview of the Metals and Commodities ecosystem, emphasizing its significance and growth potential.

The programme culminated with an address by CS Pradeep Ramakrishnan, Executive Director, IFSCA, who summed up the discussions and outlined the way forward in the Capital Markets from IFSCA Perspective.

Capital Markets Week 2024 Celebrated at ICSI Chapters



Bhopal



Navi Mumbai



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Raipur



Bengaluru



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Surat



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WEBINAR ON

BRSR: Regulatory Landscape and Stakeholder Engagement held on 26.06.2024



Speaker:
CS Ranjeet Pandey
Former President, The ICSI



Speaker:
CS Sachin Mishra
Head – Legal & Company Secretary
Tata Consulting Engineers Limited



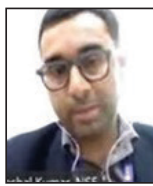
Moderator:
CS (Dr.) Pooja Rahi
Assistant Director, The ICSI

WEBINAR ON

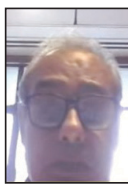
Social Stock Exchange and Social Impact Assessment held on 19.06.2024



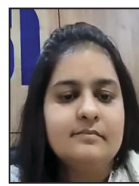
Speaker:
Dr. Ajay Garg
Writer and Social Entrepreneur



Speaker:
Mr. Kaoshal Kishor Kumar
Sr. Manager - Investor Awareness / Services & Social Stock Exchange, NSE



Speaker:
Dr. Nitin Tike
Consultant, Centre for Capacity Building, NISM



Moderator:
CS Surbhi Jain

WEBINAR ON

AML & CFT Guidelines under PMLA, 2002 held on 12.06.2024



Speaker:
Ms. Rimjhim Pandey
OSD, Financial Action Task Force (FATF) Cell, Department of Revenue, GoI



Speaker:
CS Amita Desai
Practising Company Secretary



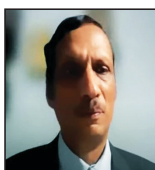
Moderator:
CS Ashish Karodia
Central Council Member, The ICSI



Moderator:
CS (Dr.) Pooja Rahi
Assistant Director, The ICSI

WEBINAR ON

Digital Environment and Frauds held on 05.06.2024



Speaker:
CS Guruprasad V.
Past President IMA Bangalore Chapter of The ICSI



Moderator:
CS Venkata Ramana R.
Central Council Member, The ICSI

WEBINAR ON

GST: A Key Enabler for Viksit Bharat held on 01.07.2024



Speaker:
CS Bimal Jain
Founder, A2Z Taxcorp LLP



Speaker:
CS Sanjay Malhotra
Practising Company Secretary



Speaker:
CS B. Narasimhan
President, The ICSI



Moderator:
CS Dwarakanath Chennur
Central Council Member, The ICSI



International Yoga Day Celebrated Across India by ICSI RCs and Chapters





Nagpur



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Noida



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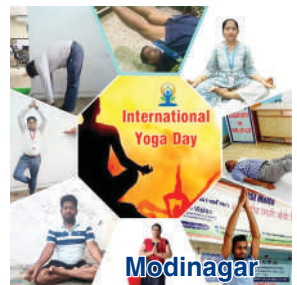
Dhanbad



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भारतीय कम्पनी सचिव संस्थान

IN PURSUIT OF PROFESSIONAL EXCELLENCE

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NATIONAL
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CORPORATE CS**
Friday - Saturday
19 - 20, July 2024

Theme

"Corporate CS: Transforming Governance for Viksit Bharat"

VENUE : Hotel The LaLiT, Kolkata



REGISTRATION LINK :
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Accompanying Spouse/ Child (5 Yrs. and above) / Students / Sr. Member (60 Yrs. and above)	INR 3500	INR 4500
Non-Member	INR 6000	INR 6000

CS B. Narasimhan
President, The ICSI

CS Dhananjay Shukla
Vice President, The ICSI

CS Sandip Kumar Kejriwal
Council Member, The ICSI &
Programme Director

CS Asish Mohan
Secretary, The ICSI

CS (Dr.) Mohit Shaw
Chairman, EIRC, The ICSI &
Programme Co-ordinator

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Shri K. Rajaraman, IAS

Chairperson, International Financial Services Centres Authority (IFSCA)

Shri K. Rajaraman assumed the responsibility of Chairperson of the International Financial Services Centres Authority (IFSCA) on 1st August, 2023 after serving for nearly 35 years in various leadership roles in Government of India and Government of Tamil Nadu. Prior to joining IFSCA, he served in the Indian Administrative Service till his retirement in August 2023 as the Secretary to Government of India in the Department of Telecommunication. He is a B.Tech Graduate in Electronics & Communications, a first-class MBA and Master of Economics.

Starting his career as a Design Engineer in BHEL, Trichy, during his rich and varied experience as an IAS Officer, he had held various administrative positions in the areas of Investment Promotion, Foreign Direct Investment, Public Sector Undertakings, Industrial Infrastructure, VAT Administration, etc. He was MD of Chennai Metro Railways for nearly 4 years during its early construction phase, Commissioner for Commercial Taxes in Government of Tamil Nadu, and Joint Secretary Expenditure in Government of India. He also served as Additional Secretary, Investment, IER and Administration in the Department of Economic Affairs, Ministry of Finance.

India, with its vast coastline and extensive global and domestic trade through the sea, has a significant strategic interest in the maritime industry. So, can you throw light on the benefits and opportunities IFSC ship leasing will create, for the Maritime ecosystem and shipping industry in India?

India's strategic interest in the maritime industry is undeniably significant, given its extensive coastline and critical role in global and domestic trade. The introduction of ship leasing through the GIFT City International Financial Services Centre (IFSC) presents a transformative opportunity for the country's maritime ecosystem and shipping industry.

India, with a coastline exceeding 7500 km, is the 16th largest maritime nation. Despite having only a 1% share in the global market with approximately 20 million DWT, the country's maritime potential is immense.

Despite its importance, India's shipping fleet stands at a modest 13.6 million gross tonnages, which is less than 1% of the world's total fleet of 1,565 million gross tonnages. This disparity has resulted in India being a country of charterers rather than ship-owners, leading to a substantial expenditure on chartering foreign flag vessels for international trade and significant exposure to maritime freight rates.

Over the years, many Indian companies have relocated their base to offshore or have established subsidiaries in other countries owing to various factors including attractive tax regimes, enabling regulatory frameworks, ease of doing business and access to low cost of funding etc. Govt. of India and IFSCA have taken various regulatory, policy and other initiatives to establish GIFT IFSC as a ship leasing and financing hub for the country and beyond.

The IFSCA has been actively promoting ship leasing, providing a regulatory framework that is attractive and competitive globally. IFSCA Ship leasing framework permits entities to undertake Financial lease or a hybrid of a financial and operating lease, operating lease including sale and leaseback, purchase, novation, transfer, assignment, and other similar transactions in relation to ship lease; and various other activities including Voyage Charters, and all other legal commercial transactions for employment of ships.

India's EXIM trade for 2023-24 stood at a substantial USD 1.63 trillion, with exports at USD 776.68 billion and imports at USD 854.80 billion. With a target to boost exports to USD 2 trillion by 2030, efficient and cost-effective maritime transport is crucial.

Currently, 95% of India's trade by volume is carried by maritime transport, and a significant portion of seaborne freight, estimated at \$75 billion, is paid to foreign shipping companies. By facilitating ship leasing through the IFSC, India can increase its fleet, thereby reducing reliance on foreign vessels and retaining a larger share of freight payments within the country.

Additionally, IFSC framework aims to develop a holistic maritime financing ecosystem hence IFSCA has also enabled ship broking as well as asset management under regulatory frameworks. Ship broking activities permitted under the IFSCA Framework of Ship Leasing and asset management support services for leased assets enhance the maritime ecosystem's efficiency. These entities in IFSC will be able to provide services to various global jurisdictions from GIFT IFSC.

So far, GIFT IFSC has registered 14 ship lessors, that have started ship leasing activities. Further, IFSC Banking units are extending External Commercial Borrowing to Indian shipyards and are also extending financing to the ship lessors. Hence IFSC Banking Ecosystem is also contributing towards the growth of, GIFT City based banks which are extending financing to ship lessors and shipyards. This progress demonstrates the growing trust and investment in the IFSC framework, highlighting its potential for development of India's maritime industry.

In conclusion, the IFSCA Ship Leasing Framework holds significant promise for the maritime sector in India. It offers financial and operational benefits that can enhance fleet capacity, reduce foreign dependency, and support the nation's ambitious trade goals. By capitalizing on these opportunities, India can strengthen its position as a leading maritime nation, driving economic growth and global trade dominance.

Is GIFT City's new taxation regimen a step towards boosting aircraft leasing and financing? How it will help to strengthen the financial framework for banking ecosystem?

International Financial Services business is generally undertaken from the most competitive business jurisdiction. Taxation piece is obviously an important variable for any business while choosing a jurisdiction. The Union Government has provided tax dispensations for leasing from IFSC, I think with the first set of enablers including tax dispensations, recent notification under the IBC exempting aircraft from moratorium provisions, enabling SEZ Rules allowing entry of Aircraft, Ship. Recently aircraft engines, have been allowed to be handled through any port or airport in the country. All these together provide a good business environment for undertaking leasing business from IFSC.

Leasing of high value assets require high value financing, I am informed a few banks in IFSC have already provided finance to leasing of these high value and number of banks are working on the strategy to finance these high value assets.

The IFSCA-IRDAI GIFT IFSC Global Reinsurance Summit was held during November, 2023 at Mumbai where in the key discussions were to develop India as a global insurance and reinsurance hub. So, can you please tell us how the direct insurer and re insurer will get benefited by setting up entities in GIFT IFSCs?

The regulatory environment in GIFT IFSCs is designed to facilitate international (re)insurance operations, ensuring compliance with global standards while offering significant flexibility. Adhering to IAIS principles, the regulations are streamlined and consistent. The domestic regulatory

authority, IRDAI, has been very supportive of the IFSC initiative of Government of India, consistently providing the necessary backing. IFSCA Insurance Regulations offer several enabling features, such as assigned capital, a solvency regime aligned with the parent regulator, and the ability to participate in the Indian market at par with Foreign Reinsurance Branches.

Proximity to Major Markets: GIFT IFSC's strategic location in India positions reinsurers to efficiently serve both Asian and global markets, leveraging India's economic growth and connectivity.

Establishment of IIOs, can capitalize on a favourable regulatory environment, significant financial incentives, and strategic market access, positioning themselves for growth in the global insurance and reinsurance landscape.

India aspires to become a developed nation. How can IFSCA contribute towards the economic development of India to make it a developed nation?

The Hon'ble Prime Minister's clarion call for Viksit Bharat @ 2047 has galvanised the entire nation. To achieve this grand vision, concerted efforts would be required on all fronts by various stakeholders, including the financial sector regulators. In my view, India's maiden, the IFSC in GIFT City, Gujarat can play a pivotal role in achieving this vision. Firstly, India requires large amounts of foreign capital inflows for meeting its SDG Goals and net zero carbon emission targets, we envisage GIFT IFSC to become a dominant gateway for channelizing such global capital flows into India. Secondly, GIFT IFSC is growing rapidly with participation of global and domestic financial services institutions, this has opened huge opportunities for the bright young Indian talent to get employed and exhibit their financial sector competencies. Thirdly, IFSC is rapidly emerging as a new age global financial centre which is developing expertise in niche and specialised financial services activities like aircraft leasing and ship leasing. These activities are crucial for bolstering the domestic aviation sector and maritime sector.

Recently IFSCA has issued consultation paper on IFSCA (Listing) Regulations, 2024. What opportunities will be created under these regulations and how Foreign Direct Investment raised will contribute towards the economic development of India?

IFSCA (Listing) Regulations, 2024 has been drafted considering global best practices of Singapore, Hong Kong, UK and US. The purpose of the new regulations is to provide the regulatory framework for listing of financial products on the IFSC Exchanges and to promote ease of doing business. It is expected that direct listing in IFSC will provide an opportunity to public Indian companies, especially start-ups and companies in the sunrise and technology sectors, to access global capital beyond the domestic exchanges. This will help in better valuation of Indian companies in line with global standards of scale and performance, boost foreign investment flows, unlock unprecedented growth opportunities, and broaden the investor base.

The Indian public companies will have the flexibility to access both markets i.e. domestic market for raising capital in INR and the international market at IFSC for raising

capital in foreign currency from the global investors. This initiative will particularly benefit Indian companies going global and having ambitions to look at opportunities for expanding their presence in other markets.

Large number of companies and LLPs are setting up their units in GIFT IFSC. What opportunities would be available for Professionals Like Company Secretaries in IFSCs?

Company Secretaries can offer consultancy services to entities in the IFSC. For this purpose, IFSCA has already provided an ancillary framework that enables the setting up of the offices of professional service providers including Company Secretaries.

How is IFSCA planning to develop a platform for trading green credits within the IFSC, as emphasized by Hon'ble Finance Minister Smt. Nirmala Sitharaman, and what steps are being taken to ensure it supports India's environmental goals?

With the aim to facilitate innovative products at IFSC for increasing the flow of foreign capital into India to meet the nation's environmental goals, IFSCA is currently focused on development of International Carbon market at GIFT-IFSC. IFSCA has constituted an expert committee on Voluntary Carbon Market in order to provide recommendations on the development of a carbon market ecosystem at GIFT-IFSC for trading of carbon credits and related products. In this regard, IFSCA has sent a proposal to the Government of India to consider notifying "Carbon Credits" as "Financial Product" at GIFT IFSC. Similarly, the green credit initiative launched by Hon'ble Prime Minister on the sidelines of COP28, provides the opportunity to develop a global market mechanism for LIFE movement. Once the domestic green credit market evolves, IFSCA would be ready to globalize the green credit market from GIFT-IFSC.

In continuation to this, IFSCA is currently working on three major initiatives. First is the framework for Transition Finance. According to report of Council on Energy Environment and Water, India would require over USD 10 Tn to achieve net-zero by 2070. Out of this USD 10 Tn, a large amount of money would need to be mobilized from international sources. Additionally, achieving net-zero would require economy wide decarbonization measures with special focus on hard-to-abate sectors and MSME industries. The proposed transition finance framework is aimed at enabling hard-to-abate sectors and MSMEs to raise foreign funding at cost effective rates to finance their brown to green journey.

Second, on blended finance instruments. The Expert Committee on Climate Finance set up by the IFSCA is expected to provide detailed recommendations to be put in place a policy mechanism for various blended finance instruments. Blended finance structures combine concessional public and philanthropic capital to attract private investment into projects that are not commercially viable on their own. By pooling concessional capital, the overall cost of capital and associated risks is reduced, making these projects more appealing to a broader range of investors. The IFSCA is exploring various blended finance models to stimulate catalytic capital investment in next-generation technologies for a sustainable future.

Third, providing access to Sovereign Green Bonds (SGrBs) to non-resident eligible foreign investors through GIFT-IFSC. IFSCA and RBI are currently working together to operationalize the scheme of investment and trading of SGrBs through GIFT-IFSC.

Along with efforts of IFSCA, in the last 3 years, in developing ESG-labelled debt securities, sustainable lending and ESG Funds, the above initiatives are aimed to help India meet its net-zero ambitions.

Could you elaborate on the specific initiatives undertaken by IFSCA and FPSB India to promote GIFT IFSC as a 'Global Finance Hub' and nurture skilled professionals, and how this collaboration will benefit the development of GIFT City and its financial workforce?

Recently IFSCA and Financial Planning Standards Board, India have signed an MoU for promoting GIFT IFSC as a "global financial hub". As part of this cooperation, we will work with FPSB India to enhance the financial market ecosystem and nurture skilled professionals for GIFT IFSC's growing financial workforce requirement.

The GIFT City is set to play a major role in bringing in adequate capital to fulfill the vision of a developed India by 2047. Could you please explain what type of strategies and initiatives IFSCA is pursuing to enhance global connectivity, attract international investments, and simplify business operations within GIFT City?

IFSCA is working on multiple fronts to create a conducive regulatory environment for attracting global capital, which is predominantly being invested into the Indian markets. On the funds side, we have more than 120 registered Fund Management entities which have launched 135 + funds with a targeted corpus of USD 37 Bn. On the Banking side, we have licensed 28 banks, which have a combined asset size of USD 61 Bn. These banks are catering to the foreign currency lending requirements of Indian corporates through ECB lending, Trade Finance, etc. On the debt listing side, Indian corporates and PSUs have listed USD 57 + foreign currency bonds on the IFSC Exchanges. This capital is being utilized for various capital expenditure purposes in India. IFSCA is now working on operationalizing the direct listing of Indian companies on IFSC Exchanges.

IFSCA has constituted Expert Committee on positioning GIFT IFSC as Global Commodity Trading Hub focusing on metals, energy, and agricultural commodities. How does IFSCA plan to leverage this initiative to attract global investment flows, enhance India's competitiveness, and promote financial integration with global trade flows?

Ever since it was set up, commodity has been one of the focus areas for the IFSCA. On 29th July 2022, the Hon'ble Prime Minister Shri Narendra Modi inaugurated India's first bullion spot exchange, viz., India International Bullion Exchange (IFSC) Ltd. [IIBX], set up in GIFT IFSC. IIBX has been established with the vision of making India an influencer of global bullion prices. With various regulatory enablements by IFSC, bullion imports through IIBX have gained significant traction in the last year or so. More

than 17 metric tonnes of gold worth more than USD 1.2 billion have been imported through IIBX since its launch. Similarly, around 1,100 metric tonnes of silver valuing USD 900 million approx. have been imported through IIBX. IIBX has lately expanded its offerings to include Gold Futures in addition to spot products. Silver Futures are also going to be launched soon by IIBX. India INX has already been offering commodity derivatives for quite some time.

Although the initial emphasis has been on gold and silver, IFSCA understands the need and the potential to widen the scope to other metals and commodities, including base metals, energy, agricultural products and diamonds. Moreover, the commodity industry is expanding exponentially as a lucrative asset class for investment purposes as well. The hedge funds are using commodities to diversify their portfolios. The emphasis on the environment and sustainability has shifted the need towards responsible sourcing and ethical practices. These developments create a fantastic opportunity for the expansion of commodity trading in a financial jurisdiction like GIFT IFSC.

With the growth of global trading hubs, Indian companies migrated to these hubs, such as Switzerland, Singapore, and Dubai, to take advantage of the several benefits offered by them in comparison to India. With the setting up of GIFT-IFSC, there is an opportunity for relocating commodities trading from offshore to onshore by providing a suitable platform for various related activities. In recent months, the IFSC has seen an increase in demand for trade financing. Also, the enablement of Global Regional Treasury Centres has created a demand for permitting trading in commodities. Several Indian firms have approached the IFSCA with demands to include global commodity trading as a permissible activity in the GIFT IFSC.

Despite being one of the largest consumption markets and largest importers of many commodities, most commodity traders are executing trades from other financial centres rather than from India. Indian enterprises have established bases in the aforementioned trading hubs for a variety of reasons, including favourable tax and regulatory considerations, access to global markets, robust financial infrastructure, and an internationally aligned legal ecosystem.

We believe that GIFT IFSC has the potential to become a global commodity trading hub, given that it already possesses the characteristics of a global financial centre, a strong banking network, and a more favourable tax regime than other financial centres. The initial objective is to onshore the Indian firms that have migrated to Global Commodity Trading Hubs.

Accordingly, with a view to enabling commodity trading in IFSC, which will facilitate business integration of IFSC financial ecosystem with global trade flows, capitalize on integration of opportunities with major commodity hubs and attract global investment flows into IFSC, thereby helping IFSC grow competitively. IFSCA has constituted an 'Expert Committee on positioning GIFT IFSC as Global Commodity Trading Hub' under the chairmanship of Shri Rajeev Kher, former Commerce Secretary. The Expert Committee is expected to submit its report by end of December 2024.

Articles Part - I

Remote Trading Participants (RTPs) on Stock Exchanges in the IFSC

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CS Pradeep Ramakrishnan, FCS

IFSCA was in receipt of representations from market participants including Stock Exchanges, requesting direct participation by foreign institutions on the Stock Exchanges. It was suggested that this enabler is likely to increase the number of participants and make the secondary market more vibrant and liquid. Accordingly, it has been decided to permit foreign entities, not having a physical presence in IFSC, to trade directly on the Stock Exchanges, on a proprietary basis, without a Broker-Dealer.

IFSCA and the Ambition to Make the GIFT-IFSC as a Gateway to Global Climate Finance — Innovating Today for a Sustainable Tomorrow

58

CS Pradeep Ramakrishnan, FCS, Chintan R Panchal

The Gujarat International Finance Tec-City (GIFT-IFSC), India's first operational international financial center, exemplifies this vision and is a major step towards 'onshoring the offshore'. Located in Gujarat, it operates as a foreign territory under the Foreign Exchange Management Act, where the medium of exchange includes 11 freely convertible foreign currencies, excluding the Indian Rupee. The income tax benefits, and regulatory framework provided for entities in GIFT-IFSC further enhance its attractiveness.

Overview of International Financial Services Centre and Opportunities for Company Secretaries

61

CS (Dr.) Dipesh Shah, ACS

The Hon'ble Prime Minister of India during his visit to GIFT IFSC in July 2022 articulated his vision for GIFT City and stated that "the vision of India's future is associated with GIFT City, which is an important gateway to connect India with global opportunities". He further stated that "if one integrates with GIFT City, one will integrate with the whole world".

Assessing the GIFT City's Imperative Role in Raising India as a Global Soft Power

63

Sandip Shah

Under the Setting up and Operation of International Branch Campuses and Offshore Education Centres Regulations, 2022, of the IFSCA, the regulator brought forth a bevy of regulations, with the following objective – to establish GIFT IFSC as a global educational hub by facilitating the setup of International Branch Campuses by foreign universities, either independently or in other approved forms. These regulations also enable other foreign educational institutions to create Offshore Educational Centres within GIFT IFSC. The overarching goal is to transform GIFT IFSC into an international educational centre that attracts both Indian and foreign students across various disciplines.

Sailing into the Future: GIFT IFSC's Ship Leasing Opportunities

66

Ashutosh Sharma, Anamik Badashe

Despite its importance, India's shipping fleet stands at a modest 13.6 million gross tonnages, which is less than 1% of the world's total fleet of 1,565 million gross tonnages. This disparity has resulted in India being a country of charterers rather than ship-owners, leading to a substantial expenditure on chartering foreign flag vessels for international trade and significant exposure to maritime freight rates.

Credit Rating Agencies: Opportunities at GIFT IFSC

69

Arjun Prasad, Akash Boddeda

The regulatory framework for CRAs has been specified IFSCA (Capital Market Intermediaries) Regulations, 2021^[3]. These regulations provide a regulatory regime for all the capital market intermediaries in IFSC such as Broker-Dealers, Clearing Members, Depository Participants, Investment Bankers, investment Advisors, credit Rating Agencies etc. The regulations provide the requirements for grant of recognition by IFSCA, net worth requirements, fit and proper criteria, obligations and responsibilities, risk management, code of conduct and other requirements to be followed by the CRAs in the IFSC.

Capital Markets Ecosystem in GIFT-IFSC

72

Praveen Kamat, Shubham Goyal

GIFT IFSC, maiden international financial centre in India was set up by Government of India in 2015. The objective of GIFT IFSC is to act as a

gateway, connecting India to global financial markets and enabling access for international investors to India. The domestic financial service regulators Reserve Bank of India (RBI), Securities & Exchange Board of India (SEBI), Insurance Regulatory & Development Authority of India (IRDAI) and Pension Fund Regulatory and Development Authority (PFRDA) regulated the financial markets in GIFT-IFSC till 2020. After the establishment of International Financial Services Centres Authority (IFSCA), financial market in IFSC is being regulated by IFSCA.

REITs and InvITs: Opportunities at GIFT IFSC India's Massive Infrastructure and Real Estate Needs – An Enormous Opportunity

75

Aditya Sarda, Akash Boddeda

The concept of REITs originated in the United States in 1960. Since then, numerous jurisdictions, including Singapore, Japan and Hong Kong in Asia, have established successful regulatory frameworks for these investment vehicles. In India, the capital market regulator, SEBI, has created regulatory frameworks for REITs and InvITs in 2014. As per a recent report^[1], REITs and InvITs in India have raised INR 17,116 crore in FY 2023 -2024, which is demonstrative of the rising demand for such investment opportunities.

GIFT IFSC a Global FinTech Hub: Regulatory Innovation Benchmarking Global Best Practices

78

Akshay Singh, CS Rupali Mudaliar

Financial authorities around the globe have resorted to various ways of responding to fintech developments. For one, regulators may put in place fintech-specific licensing regimes that require entities to go through an authorization process before they can offer their fintech services. Alternatively, or complementarily, they may issue requirements that are fintech-specific, modify existing ones or even prohibit certain activities. Some authorities have taken the path of explaining how the existing regulatory framework is applied to fintech business models and clarifying their supervisory expectations. The "Framework for FinTech Entity in the IFSCs" is a light touch regulatory framework which not only aims at fostering innovation in financial services through innovation facilitators like Regulatory/Innovation Sandbox for FinTech activities spanning across Banking, Capital Market, insurance sector etc. as but also enables the pure.

Direct Listing of Indian Companies in GIFT IFSC – Marking the Dawn of a New Era in the Capital Market Landscape

81

Saurabh Kumar

The purpose of this study is to underscore the need, significance and benefits of the Direct Listing Scheme at GIFT IFSC and its critical role in financing the growth and development of Indian companies, particularly the start-ups. It sheds light on the enabling legal and regulatory framework for Direct Listing that has been benchmarked with global best practices. It also contains the recent updates on the goal to implement and operationalize the Direct Listing Scheme at GIFT IFSC. Additionally, the article provides a snapshot of the proposed IFSCA (Listing) Regulations, 2024 that aims to promote ease of doing business for entities seeking to raise global capital from GIFT IFSC and also highlights the remarkable growth that GIFT IFSC has witnessed over the last few years and its relevance in the overall economic prosperity of the country.

IFSCA (Payment Services) Regulations, 2024- An Overview

84

Sanjay Meghraj Khobragade

By enabling the 5 services to be provided out of IFSC, the IFSCA (Payment Services) Regulations allow financial institutions in IFSC to provide as well as receive a wide range of financial services that facilitate the transfer of money between individuals, businesses, and other entities. The regulations would also permit Indian fintech entities looking to offer their products globally to develop IFSC as their base from which to expand their offerings to jurisdictions across the world. The regulations would also support the process of "reverse-flipping" as many of the Indian fintechs having holding companies in foreign jurisdictions are engaged in providing on or more of the payment services enabled by the regulations.

Relocation of Funds to GIFT IFSC

87

Kanika Singh

GIFT IFSC today provides parity with global jurisdictions. The structured efforts aim to create fertile ground for the movement of offshore financial services to Onshore GIFT IFSC. The relocation of the offshore funds is one area of growth to watch out for in this space of Funds @ GIFT IFSC.

Opening of a New Era for Qualified Jewellers - India International Bullion Exchange

89

Chandan Satyarth

The IFSCA acts as a unified regulator for all financial products, services, and institutions operating within the IFSC framework. This streamlined approach eliminates the need to navigate multiple regulatory bodies, fostering ease of doing business for domestic and foreign entities. The IFSCA's vision extends beyond India's borders. It aims to position GIFT City as a world-class financial hub, attracting international investment and facilitating seamless integration of the Indian financial sector with the global financial landscape.

Significance of IFSC & its Role

92

CS P. N. Kumar, FCS

The Indian Govt. relaxed its policy of Socialistic Economy to partially Private economy, it became necessary that the economic growth with industrial activity process should spread not to only a few places, solely handled by Government, but must spread over to all states of the country. First priority was to select those areas where resources were available by Nature. For example, where the land was suitable for growing of Cotton, that area was earmarked for textile industry. The other considerations were the availability of man power and willing and potential entrepreneurs. This was the time when Govt. had permitted foreign investment in India. As per the norms of Liberal Policy of 1990.

IFSCs: Transforming India into a Global Financial Powerhouse

97

CS (Dr.) Chetan Gandhi, FCS,
CS Shamil Milan Shah, ACS

As per Section 3(1)(g) of The International Financial Services Centres Authority Act, 2019, "International Financial Services Centre" means an International Financial Services Centre set up, before or after the commencement of this Act, under section 18 of the Special Economic Zones Act, 2005. India established the International Financial Services Centre (IFSC) as a specialised zone to promote the nation as a global financial hub and ease cross-border financial services transactions. An IFSC is a designated area within a Special Economic Zone (SEZ) that offers financial institutions a business-friendly environment enabling them to operate and provide varieties of financial services to people globally, including different services like fund management, banking, securities trading and insurance.

Navigating the Future: Benchmarking Regulatory Innovation in Global Fintech Hubs through International Financial Centres

104

CS Anjali Banerjee, ACS

On February 02, 2022, IFSCA came up with the 'Fintech Initiative Scheme' with the principal objective to promote the establishment of a world-class FinTech Hub, comparable with those located in advanced International Financial Centres (IFCs) across jurisdictions, at IFSC in India by providing financial support to FinTech activities in the form of specific grant(s) as specified in the scheme, based on their eligibility and fulfilment of terms and conditions as may be specified in the scheme.

Viksit Bharat @2047: Role of IFSCA in Driving India's Economic Growth

111

CS Deepa Fernandes, FCS

India, with its rich history, diverse culture, and robust economic potential, has set an ambitious goal for itself: to become a developed nation by 2047, marking the centenary of its independence. The vision of a "Viksit Bharat" (Developed India) emerges as a guiding light for policy makers, businesses, and citizens alike. A crucial player in this journey is the International Financial Services Centres Authority (IFSCA), which has the mandate to develop and regulate financial services, financial products, and financial institutions in the International Financial Services Centres (IFSCs) in India. The International Financial Services Centres Authority (IFSCA) stands at the forefront of this transformation, with the potential to drive significant economic growth and elevate India to a status of leading global financial powerhouse.

Articles Part - II

Guidance for Handholding Startups

116

CS (Dr.) K S Ravichandran, FCS

By leveraging the expertise and experience of seasoned professionals, founders/promoters can significantly increase their chances of success and build a robust foundation for their startup. Professional guidance of Company Secretaries, who practice in the field of incorporating entities, ensuring governance and compliance, etc can provide startups with the knowledge, skill, and resources required to navigate the complexities of starting and growing a business.

Embracing Technology: A Gateway to the Future of Practising Company Secretary

121

CS Shukla Bansal, FCS

Technology drives economic development by creating new industries, jobs, and markets. Enhances the quality of life through advancements in healthcare, education, and everyday conveniences and also facilitates global communication and commerce, connecting people and businesses worldwide

Research Corner

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Alternative Investment Funds – Recent Trends, Light-Touch to Compliance Intensive

128

CS Unnati Shah, ACS

AIF Industry is expected as one of the fastest growing as High-Net worth Individuals (HNIs) and ultra HNIs gets an option to generate better returns on their investments by investing in alternate/differentiated products. In this article author have analyzed recent trends in AIFs and discussed on the shift of AIFs from light-touch to compliance intensive.

Legal World

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- **LMJ 07:07:2024** In the case of a policy decision on economic matters, the Courts should be very circumspect in conducting any enquiry or investigation and must be most reluctant to impugn the judgement of the experts who may have arrived at a conclusion unless the Court is satisfied that there is illegality in the decision itself. [NCLAT]
- **LW 47:07:2024** It is the settled law that in a judicial proceeding where despite orders being passed by the court or the Tribunal calling upon the opposite side to file objection to the pleading, if the same is not controverted, it will be deemed to have been accepted by the other side and would be taken as to be true. [NCLAT]
- **LW 48:07:2024** At this belated stage questioning the Auction Sale made by the Liquidator, on the alleged procedural discrepancies without substantiating it, may not be a subject which could de-novo be scrutinised and be considered by this Tribunal. [NCLAT]
- **LW 49:07:2024** Given the facts and circumstances of the present case, the Commission finds that no prima facie case of contravention of the provisions of Section 4 of the Act is made out against Google in the instant matter. [CCI]
- **LW 50:07:2024** From a conjoint reading of Section 2(h) of the Act and the relevant Allocation of Business Rules, it is amply clear that DAE is exempted from the purview of 'enterprise' in terms of the provisions of the Act. Accordingly, conduct of DAE does not invite scrutiny under the provisions of the Act. [CCI]
- **LW 51:07:2024** If the contract workers are qualified and have been performing satisfactorily, there may be concerns of fairness in not offering them the opportunity to apply for these positions. [KNT]
- **LW 52:07:2024** As per the existing scheme for compassionate appointment, the request of the 1st petitioner can be considered, if it is made within 5 years from the crucial date. [MAD]
- **LW 53:07:2024** Thus, it is clear that the respondent Railways could not have constituted an Arbitral Tribunal consisting of serving/retired Railway Officers, as it was not in consonance with Section 12(5) and 7th Schedule of the Act, in the absence of any waiver given by the petitioner to Section 12(5) of the Act. [GAU]
- **LW 54:07:2024** Interim order of the arbitrator virtually takes away the right of defence for the appellants and it also tantamount to passing a final order without even affording an opportunity to the appellants. [MAD]

From The Government P-145

- In the Matter of Striking off or Removal of Names of LLPs Under Section 75 of the LLP Act, 2008 and Rules 37(1) (B) and Rule 37 (2) of The LLP Rules, 2009 In Respect of:- 17 LLPs
- In the matter of 123 Limited Liability Partnerships (list enclosed)
- Notice by Registrar of removal of name of a Limited Liability Partnership from the Register
- Participation by Non-Resident Indians (NRIs), Overseas Citizens of India (OCIs) and Resident Indian (RI) individuals in SEBI registered FPIs based in International Financial Services Centres in India
- Statutory Committees at Market Infrastructure Institutions (MIIs)
- System Audit of Professional Clearing Members (PCMs)
- Introduction of a special call auction mechanism for price discovery of scrips of listed Investment Companies (ICs) and listed Investment Holding Companies (IHCs)
- Modification in duration for Call Auction in pre-open session for Initial Public Offer (IPO) and Relisted scrips
- Contribution to Core Settlement Guarantee Fund and Default Waterfall for Limited Purpose Clearing Corporation (LPCC)
- Modification in Framework for Offer for Sale (OFS) of Shares to Employees through Stock Exchange Mechanism
- (a) Ease of Doing Investments- Non-submission of 'Choice of Nomination'
 - (i) Doing away with freezing of Demat Accounts and Mutual Fund Folios for existing investors;
 - (ii) To remove freeze on payment of corporate benefits and service of physical folios;
 - (b) Only 3 fields to be provided mandatorily for updating Nomination Details
- Uploading of KYC information by KYC Registration Agencies (KRAs) to Central KYC Records Registry (CKYCRR)
- Framework of "Financial Disincentives for Surveillance Related Lapses" at Market Infrastructure Institutions
- Enhancement of operational efficiency and Risk Reduction - Payout of securities directly to client demat account
- Disclosures of Material Changes and Other Obligations for Foreign Portfolio Investors
- Framework for providing flexibility to Foreign Portfolio Investors in dealing with their securities post expiry of their registration
- Priority Sector Lending – Amendments to the Master Directions
- International Trade Settlement in Indian Rupees (INR) – Opening of additional Current Account for settlement of trade transactions
- Export-Import Bank of India (Exim Bank)'s Government of India-supported Line of Credit of USD 23.37 mn to the Government of the Co-operative Republic of Guyana (GO-GUY), for procurement of two Hindustan 228-201 aircraft from Hindustan Aeronautics Ltd.
- Foreign Exchange Management (Overseas Investment) Directions, 2022 - Investments in Overseas Funds
- Amendment to Master Direction - Reserve Bank of India (Interest Rate on Deposits) Directions, 2016

Other Highlights

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- ❖ NEWS FROM THE INSTITUTE
- ❖ GST CORNER
- ❖ ETHICS IN PROFESSION
- ❖ CG CORNER
- ❖ ESG CORNER

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ARTICLES



Articles Part - I

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Remote Trading Participants (RTPs) on Stock Exchanges in the IFSC

The advantage of a remote trading participant is that it can seamlessly place and execute orders on the stock exchange platform from its remote location. Internationally, many regulators and stock exchanges allow this type of participant. For example, Japan allows Remote Broker Members have no office in Japan and can execute proprietary transactions and overseas customer transactions.



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INTRODUCTION

WHO IS A RTP?

A foreign entity, not having a physical presence in IFSC, that can trade directly on the Stock Exchanges, on a proprietary basis, without a Broker-Dealer are referred to as a Remote Trading Participant (RTP)¹. The advantage of a remote trading participant is that it can seamlessly place and execute orders on the stock exchange platform from its remote location. Internationally, many regulators and stock exchanges allow this type of participant. For example, Japan allows Remote Broker Members have no office in Japan and can execute proprietary transactions and overseas customer transactions².

WHY RTP?

IFSCA was in receipt of representations from market participants including Stock Exchanges, requesting direct participation by foreign institutions on the Stock Exchanges. It was suggested that this enabler is likely to increase the number of participants and make the secondary market more vibrant and liquid. Accordingly, it has been decided to permit foreign entities, not having a physical presence in IFSC, to trade directly on the Stock Exchanges, on a proprietary basis, without a Broker-Dealer. Such an entity shall be referred to as a Remote Trading Participant (RTP).

¹ <https://www.nseix.com/membership/RTP>

² <https://www.jpex.co.jp/english/rules-participants/participants/outline/index.html>

CONDITIONS FOR ONBOARDING A RTP:

1. IFSCA states that an entity shall be onboarded as RTP by the Stock Exchange only after the following conditions are satisfied³:
 - i. The entity is a resident of a country whose securities market regulator is a signatory to the International Organization of Securities Commission's Multilateral Memorandum of Understanding (IOSCO-MMoU) or a signatory to the bilateral Memorandum of Understanding (MoU) with IFSCA.
 - ii. The entity is currently a member of any of the following Stock Exchanges, or such other Stock Exchanges as may be specified by IFSCA, for at least a period of one year:

Sr No.	Country	Stock Exchange
1	United States of America (USA)	<ul style="list-style-type: none"> New York Stock Exchange (NYSE), National Association of Securities Dealers Automated Quotations (NASDAQ) Chicago Mercantile Exchange (CME) Intercontinental Exchange (ICE)
2	Japan	Tokyo Stock Exchange
3	South Korea	Korea Exchange
4	United Kingdom excluding British Overseas Territories	London Stock Exchange (LSE)
5	France	Euronext, Paris
6	Germany	<ul style="list-style-type: none"> Frankfurt Stock Exchange Eurex Exchange
7	Canada	Toronto Stock Exchange
8	Singapore	Singapore Exchange (SGX)
9	Taiwan	Taiwan Stock Exchange

³ <https://ifsc.gov.in/Legal/Index?MId=sO4dQaG5dCs=>

The RTP shall be onboarded by the Stock Exchange in accordance with the IFSCA (Anti Money Laundering, Counter Terrorist-Financing and Know Your Customer) Guidelines, 2022. This is to protect against money laundering and to counter terrorist financing.



10	Israel	Tel Aviv Stock Exchange (TASE)
11	Australia	Australian Securities Exchange (ASX)
12	United Arab Emirates (UAE)	<ul style="list-style-type: none"> Abu Dhabi Securities Exchange (ADX) Dubai Gold & Commodities Exchange (DGCX) Dubai Financial Market NASDAQ, Dubai
13	Netherlands	Euronext Amsterdam

- iii. The entity is a body corporate;
- iv. The entity is not a resident of a country identified in the public statement of the Financial Action Task Force (FATF) as –
 - a) a jurisdiction having a strategic Anti-Money Laundering or Combating the Financing of Terrorism deficiencies to which counter measures apply; or
 - b) a jurisdiction that has not made sufficient progress in addressing the deficiencies or has not committed to an action plan developed with the Financial Action Task Force to address deficiencies.
- v. The entity shall be permitted to trade only on a proprietary basis and shall not be permitted to onboard clients.
- vi. The entity shall be permitted to transact only in cash-settled derivative products on the Stock Exchanges.
- vii. The entity shall be required to enter into an agreement with an IFSCA registered Clearing Member for clearing and settlement of its transactions executed on the Stock Exchanges.

IS IT AVAILABLE FOR ENTITIES FROM INDIA?

No. IFSCA has clarified that an entity incorporated in India will not qualify to be onboarded by the Stock Exchanges as a RTP. It is available on the Stock Exchanges in the IFSC – the NSE IX and India INX⁴ Stock Exchanges that come under the purview of IFSCA.

⁴ <https://www.indiainx.com/circulars/20240611-4/20240611-4.pdf>

ONBOARDING OF A RTP – AML REQUIREMENTS

The RTP shall be onboarded by the Stock Exchange in accordance with the IFSCA (Anti Money Laundering, Counter Terrorist-Financing and Know Your Customer) Guidelines, 2022. This is to protect against money laundering and to counter terrorist financing.

RESPONSIBILITIES OF STOCK EXCHANGES FOR RTP ONBOARDING AND OPERATIONS

- The recognized Stock Exchanges in IFSC shall be responsible for specifying the terms and conditions for onboarding a RTP, inter alia including the risk management measures and code of conduct in relation to the RTP.
- The recognized Stock Exchanges shall have the operational flexibility to specify the net-worth criteria, security deposit, application fee, annual fee and any other additional conditions for onboarding a RTP. The Stock Exchanges shall ensure that the RTP is in compliance with the conditions as provided above in clause 2.
- The recognized Stock Exchanges shall take necessary steps to implement this Circular including amending their bye-laws, rules and regulations (if required).

CONCLUSION

The advantage of a RTP is that the participant can place trades in a different location without going through the process of incorporating an office in the location. This enabler of IFSCA is expected to:

- increase the number of participants and make the secondary market more vibrant and liquid.*
- eliminate the overhead and operational costs involved in setting up a new entity or a branch office in IFSC.*
- boost the number of participants in the secondary market.*
- improve the ease of doing business and attract more foreign investments.*

IFSCA and the Ambition to Make the GIFT-IFSC as a Gateway to Global Climate Finance — Innovating Today for a Sustainable Tomorrow

The IFSCA, with its comprehensive mandate, oversees the regulation of financial products, services, and institutions within IFSCs—roles traditionally held by the RBI, SEBI, IRDAI, and PFRDA in domestic India. GIFT-IFSC boasts a thriving ecosystem, encompassing banking, capital markets, asset management, and insurance. It also offers frameworks for trade financing platforms, aircraft and ship leasing, global in-house centers, and foreign universities.



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INTRODUCTION

In an ambitious move to bolster India's position in the global financial landscape, the Government of India established the International Financial Services Centres Authority (IFSCA) on April 27, 2020. Operating under the IFSCA Act, 2019, this unified financial regulator aims to create a world-class financial ecosystem in International Financial Services Centres (IFSCs), designed to facilitate ease of doing business and establish India as a preferred global destination for international financial services.

A NEW HORIZON FOR INDIA'S FINANCIAL ECOSYSTEM

The Gujarat International Finance-Tech City (GIFT-IFSC), India's first operational international financial center, exemplifies this vision and is a major step *towards 'onshoring the offshore'*. Located in Gujarat, it operates as a foreign territory under the Foreign Exchange Management Act, where the medium of exchange includes 11 freely convertible foreign currencies, excluding the Indian Rupee. The income tax benefits, and regulatory framework provided for entities in GIFT-IFSC further enhance its attractiveness.

The IFSCA, with its comprehensive mandate, oversees the regulation of financial products, services, and institutions within IFSCs—roles traditionally held by the RBI, SEBI, IRDAI, and PFRDA in domestic India. GIFT-IFSC boasts a thriving ecosystem, encompassing banking, capital markets, asset management, and insurance. It also offers frameworks for trade financing platforms, aircraft and ship leasing, global in-house centers, and foreign universities.

SNAPSHOT OF THE GIFT-IFSC ECOSYSTEM¹

- **Registered Entities:** Approximately 628+
- **Banking Asset Size:** Over USD 60+ billion
- **Monthly Turnover on IFSC Exchange:** Over USD 83 billion
- **Debt Listing on IFSC Exchanges:** USD 56+ billion
- **Target Corpus of Funds in GIFT-IFSC:** Around USD 35+ billion

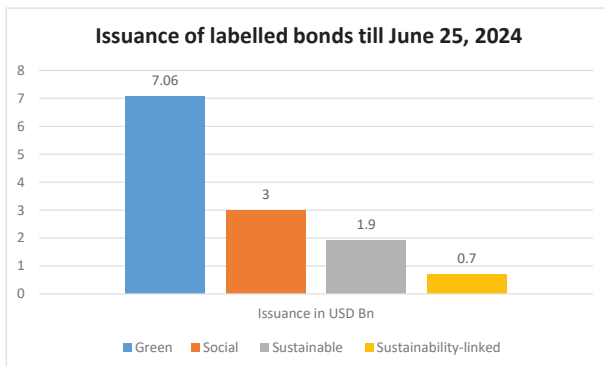
A VISION FOR SUSTAINABLE FINANCE

The Hon'ble Finance Minister, in her 2021-22 budget speech, emphasized role of GIFT-IFSC in facilitating global capital for sustainable and climate finance.

¹. As on March 31, 2024

This vision of Government for GIFT-IFSC was further emphasized by Hon'ble Prime Minister Narendra Modi during the 2nd edition of the InInfinity Forum in December 2023. India's path to achieving its net zero target by 2070 will require significant investment—at least \$10 trillion according to a Council on Energy Environment and Water report². Recognizing this, the IFSCA has implemented several regulatory initiatives to promote sustainable finance.

- a) IFSCA (Issuance and Listing of Securities) Regulations, 2021 ("Listing Regulations") provides the regulatory framework for issuance and listing of Green Bonds, Social Bonds, Sustainability Bonds and Sustainability linked Bonds. The Listing Regulations recognized various internationally accepted principles/standards/guidelines such as of International Capital Market Associations (ICMA), Climate Bond Initiative (CBI), ASEAN, European Union (EU) etc. for labelling of ESG labelled debt securities. Thus, the regulations provide enough flexibility for issuers to raise labelled debt securities while mandating pre-issuance and annual disclosures, along with external review for ensuring integrity. The listing of more than USD 12.5 billion ESG-labelled debt securities on IFSC exchanges indicates that GIFT-IFSC has emerged as a preferred destination for Indian corporates to raise sustainable capital.



- b) Transparent and standardized sustainability reporting is the backbone of sustainable finance. It enables investors, to make informed decisions, while ensuring that capital flows towards truly sustainable projects. At GIFT-IFSC, IFSCA is committed to promote integration of sustainability in decision making and encourage robust sustainability reporting. IFSCA Listing regulations mandate listed companies with market capitalization of USD 50 million or more for sustainability-related disclosure. With the recent decision of allowing direct listing of Indian companies at the IFSC, sustainability reporting will be an integral part of entities listed at IFSC. In addition, The Fund Management Regulations mandate large Fund Management Entities (AUM above USD 3 billion) to have sustainability integrated into their governance, risk management and investment strategy.

² <https://www.ceew.in/press-releases/india-will-require-investments-worth-over-usd-10-trillion-achieve-net-zero-2070-ceew>

The Hon'ble Finance Minister, in her 2021-22 budget speech, emphasized role of GIFT-IFSC in facilitating global capital for sustainable and climate finance. This vision of Government for GIFT-IFSC was further emphasized by Hon' Prime Minister Narendra Modi during the 2nd edition of the InInfinity Forum in December 2023. India's path to achieving its net zero target by 2070 will require significant investment—at least \$10 trillion according to a Council on Energy Environment and Water report^[1]. Recognizing this, the IFSCA has implemented several regulatory initiatives to promote sustainable finance.

- c) The Banking Channel is critical for the whole of economy to transition towards a low-carbon and climate resilient future. IFSCA has also issued a guidance framework to promote sustainable lending by IFSC Banking Units (IBUs). The framework mandates IBUs to develop a comprehensive Board approved framework on sustainable financing and such entities shall have at least 5 per cent of their loan assets in the form of green/sustainability- focused lending to green/social/sustainable/sustainability-linked sectors/facilities. During the first year (F.Y. 2023-24) of its implementation, more than USD 1.5 Bn worth of sustainable finance has been lent by IBUs. Out of this USD 1.5 Bn, around USD 577 million went into social lending and USD 280 Million went to sustainability-linked lending.
- d) Moreover, in order to promote consistency, comparability and reliability in disclosures concerning ESG schemes, IFSCA has issued the framework for ESG schemes *inter-alia* covering requirements relating to initial and periodic disclosures, ongoing monitoring, and performance evaluation. Considering the transition needs of India, the framework issued by IFSCA enables strategies such as Transition Funds and Engagement Funds. It is to be noted that the first ESG engagement fund registered with IFSCA with enhanced disclosures under the framework is focusing on SMEs of India and has targeted a corpus, which is highest amongst all registered funds in IFSC.

THE ROAD AHEAD

To realize the vision of developing GIFT-IFSC a vibrant ecosystem of financial services and products, IFSCA is focused on the following initiatives

- a) **Framework for Transition Finance**

Since mobilization of funds towards Climate actions has been restricted to certain sectors of the economy,



Transition Finance has emerged as an alternative concept to fill the gap. The ‘*transition bond*’ and ‘*transition loan*’ have emerged as instruments for financing hard-to-abate sectors that generally do not meet the criteria and standards for ESG labelled debt securities, but are critical for economy-wide transition to a ‘*low carbon*’ future. The Expert Committee on Climate Finance set up by the IFSCA is recommending IFSCA on the framework for enabling such innovative products focusing on financing transition.

b) Voluntary Carbon Market

Though the Voluntary Carbon Market (VCM) had a tough year in 2023, it is expected to play an important role in channelizing cross-border carbon finance. As India is the second largest supplier of the carbon credits in the voluntary market and potential market size of the VCM (USD 50Bn by 2030³), GIFT-IFSC is ideally suitable to put in place necessary ecosystem to enable thriving VCM ecosystem at GIFT-IFSC. An Expert Committee on Voluntary Carbon Market has been set up to suggest IFSCA on steps to enable a robust ecosystem of carbon market related services at GIFT-IFSC.

c) Sovereign Green Bonds⁴

Based on an announcement in the Union Budget for FY 2022-23, the Government of India issued Sovereign Green Bonds (SGrBs) in January 2023. SGrBs were

³ <https://www.mckinsey.com/capabilities/sustainability/our-insights/blueprint-for-scaling-voluntary-carbon-markets-to-meet-the-climate-challenge>

⁴ https://www.rbi.org.in/Scripts/BS_PressReleaseDisplay.aspx?prid=57639

also issued as part of the Government borrowing calendar in FY 2023-24. At present, foreign portfolio investors (FPIs) registered with SEBI are permitted to invest in SGrBs under the different routes available for investment by FPIs in government securities. With a view to facilitating wider non-resident participation in SGrBs, RBI has decided to permit eligible foreign investors in the International Financial Services Centre (IFSC) to also invest in such bonds. A scheme for investment and trading in SGrBs by eligible foreign investors in IFSC is being notified by RBI separately in consultation with the Government and the IFSCA.

d) Blended Finance Mechanism

Blended finance structures pool concessional public and philanthropic capital which crowd-in the private capital for the projects which are commercially not attractive. Pooling of concessional capital would help in reducing the overall cost of capital and associated risks with projects for larger pool of investors. IFSCA is evaluating various structures of blended finance to promote catalytic capital for investment into next generation of technologies for a sustainable future.

A BRIGHT FUTURE

IFSCA’s efforts are geared towards making GIFT-IFSC a beacon of how financial markets can drive positive global change. Through collaboration and a shared vision, GIFT-IFSC aims to become a gateway for global climate and sustainable finance, contributing significantly to the fight against climate change and ensuring a sustainable future for generations to come.

Overview of International Financial Services Centre and Opportunities for Company Secretaries

Government of India implemented a major financial sector reform by establishing and operationalizing India's maiden International Financial Services Centre (IFSC) in Gujarat International Financial Tech City (GIFT City), Gujarat. The vision of the Government is to develop GIFT IFSC as a leading internationally recognized financial centre with trusted business regulations, competitive tax structure, and ease of doing business. The IFSC has been designated as a special international financial jurisdiction, which is treated as a non-resident zone under Foreign Exchange Management (FEM) Regulations, thereby facilitating transactions in any freely convertible foreign currency.



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INTRODUCTION

Government of India implemented a major financial sector reform by establishing and operationalizing India's maiden International Financial Services Centre (IFSC) in Gujarat International Financial Tech City (GIFT City), Gujarat. The vision of the Government is to develop GIFT IFSC as a leading internationally recognized financial centre with trusted business regulations, competitive tax structure, and ease of doing business. The IFSC has been designated as a special international financial jurisdiction, which is treated as a non-resident zone under Foreign Exchange Management (FEM) Regulations, thereby facilitating transactions in any freely convertible foreign currency.

The Hon'ble Prime Minister of India during his visit to GIFT IFSC in July 2022 articulated his vision for GIFT City and stated that *"the vision of India's future is associated with GIFT City, which is an important gateway to connect India with global opportunities"*. He further stated that *"if one integrates with GIFT City, one will integrate with the whole world"*.

To further promote ease of doing business and provide for dedicated regulatory intervention, the Government of India through an Act of Parliament in 2019 set up the International Financial Services Centres Authority (IFSCA) as a unified regulator for the development and regulation of financial markets in the IFSCs in India. From 1st October 2020, IFSCA assumed powers of four domestic sectoral regulators namely the Reserve Bank of India (RBI), Securities and Exchange Board of India (SEBI), Insurance Regulatory

and Development Authority of India (IRDAI) & Pension Fund Regulatory and Development Authority (PFRDA), in so far as development and regulation of financial products, financial institutions, and financial services within the IFSCs is concerned.

GIFT IFSC in the last 3 years has witnessed substantial growth across the entire spectrum of financial services activities including Banking, Capital Markets, Insurance, Funds Industry, Aircraft Leasing, FinTech, etc. With an internationally aligned regulatory regime, competitive tax structure, and beneficial cost of operations, GIFT IFSC is fast emerging as a prominent international jurisdiction for availing a wide array of international financial services.

As of May 2024, more than 628 + entities across Banks, Capital Markets, Insurance, FinTech, Aircraft Leasing, Ship Leasing, Bullion Exchange, etc have been registered¹ with the IFSCA. The financial services market is gaining momentum with healthy and growing participation of global and domestic financial services institutions.

The key advantages of the International Financial Services Centre at GIFT City are as follows:

- IFSC is a separate financial jurisdiction within India, which is treated as a non-resident zone under Foreign Exchange Regulations.
- The IFSC enables global investors and financial services firms to access India's large hinterland economy in a more efficient manner.
- IFSCA has been set up as an agile, unified, and dedicated authority for the development and regulation of financial markets in GIFT IFSC.
- IFSC offers globally aligned regulatory architecture across Banking, Capital Markets, Insurance, FinTech, Aircraft Leasing, etc.
- Access to a large talent pool of skilled human resources both in the financial and IT sectors.
- The centre offers a globally competitive tax regime and special incentives.
- Beneficial cost of operation viz-a-viz other overseas financial centres.
- The Geo-strategic location of GIFT IFSC allows IFSC to serve different time zones from Japan to the United States of America.

¹ Including all entities registered, licensed, authorized and notified by IFSCA.

ACHIEVEMENTS SO FAR

- a) Comprehensive Regulations (29 Regulations, 16+ Frameworks) aligned to international best practices, have been brought out which, inter alia, include Banking Regulations, Capital Market Regulations, Insurance Regulations, AML (anti-money laundering) / CFT (combating of financing of terrorism) guidelines, etc.
- b) A well-developed financial sector ecosystem comprising world-class market infrastructure institutions, fund administration, custodial services, trusteeship services, consultancy services, legal advisory services, wealth advisory services, audit services, international trade finance services platform, etc.,
- c) Impressive growth in the banking sector, including entry of many globally reputed foreign banks such as JP Morgan, HSBC, Standard Chartered, MUFG, Deutsche, BNP Paribas, Citi Bank, Barclays, Mizuho Bank, ANZ, etc. Additionally, SBI has set up a regional office for its South Asia operations. The total banking asset size in IFSC has grown to USD 61 Bn+ and cumulative bank transactions have crossed USD 853.00 Bn+ as of May 2024.
- d) Gaining recognition as a preferred destination for India-centric funds. Till May 2024, 124 Fund Management Entities have been registered by IFSCA which have launched 137+ funds (Private Equity funds, Venture Capital Funds, and Hedge Funds) with capital commitment to the tune of USD 37 Bn+.
- e) Has reached a point of inflection in the aircraft leasing business with the complete ecosystem in place. The ecosystem comprises 30+ Aircraft lessors that have leased 158+ aircraft/assets from GIFT IFSC (including Air India leasing six A-350 wide-bodied aircraft.
- f) 12 ship-lessors are registered which have leased four ships from GIFT IFSC after the Ship leasing framework was notified with suitable regulatory and taxation push. Reliance and Arcelor Mittal have also set up ship leasing firms in IFSC.
- g) India International Bullion Exchange (IIBX) has become operational with a complete ecosystem in place. Boost received from channelizing UAE-India CEPA gold through IIBX. More than 11.3+ tonnes of bullion and 1000 tonnes of silver have been imported through the IIBX.
- h) 3 Internationally recognized vault managers have established vaults with a capacity of 420 tons for Gold and 2200 tons for Silver.
- i) Steps have been taken for the development of GIFT IFSC as a Sustainable Finance Hub. Cumulative ESG listing to the tune of USD 12 Bn+ has been listed on IFSC Exchanges.
- j) Several measures have been taken to develop GIFT IFSC as a Global FinTech Hub. IFSCA FinTech Entity (FE) Framework 2022 and FinTech Incentive Scheme have been notified. Under the FE Framework, 138+ applications have been received from 14 jurisdictions.
- k) Subsidiary of Indian Oil Corporation Ltd, i.e. IOC Global Capital Management IFSC Ltd. set up 1st Global / Regional Corporate Treasury Centre in IFSC.

As of May 2024, more than 628 + entities across Banks, Capital Markets, Insurance, FinTech, Aircraft Leasing, Ship Leasing, Bullion Exchange, etc have been registered¹ with the IFSCA. The financial services market is gaining momentum with healthy and growing participation of global and domestic financial services institutions.

- l) OVL Overseas IFSC Ltd., a wholly owned subsidiary of ONGC Videsh Ltd. has set up their Global Corporate Treasury Centre in GIFT IFSC for undertaking treasury management of overseas assets.
- m) To develop the extended ecosystem in GIFT IFSC, two foreign universities namely Deakin University and University of Wollongong have been granted approval to set up International Branch Campuses in GIFT IFSC.


OPPORTUNITIES FOR COMPANY SECRETARIES

IFSC provides a great opportunity for CS in practice and employment. Being a new emerging centre, CSs can develop a new line of practice and work in new and emerging areas of:

- International Finance
- International Taxation
- International Compliances
- International regulatory landscape
- Arbitration
- Direct listing
- Alternate Investment Funds
- Insurance
- Banking
- Bullion
- Fintech
- International Branch Campuses
- Aircraft and Ship leasing
- Finance Companies
- Wealth Management

Also, the IFSC Authority has come out with an Ancillary Framework, which enables professional service providers to set up their practice in the IFSC zone. Under this framework, several consultancy firms have been authorized providing them the opportunity to serve IFSC entities/ Overseas entities.

CONCLUSION

Company Secretary professionals should understand IFSC opportunities in detail and take advantage of these emerging areas of practice and employment. 

Assessing the GIFT City's Imperative Role in Raising India as a Global Soft Power

As a project of national importance, GIFT City has been designed to foster a thriving financial ecosystem that not only supports but also expands businesses, placing it on par with the world's leading financial hubs. This initiative aligns with India's vision of evolving into a developed nation, driving significant reforms to create a conducive business environment. Anchored in values of sustainability, inclusivity, and excellence, GIFT City embodies the vision of establishing a premier global financial and technology hub.



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INTRODUCTION

Gujarat International Finance Tec-City, popularly known as GIFT City, represents India's ambitious stride towards becoming a leading global financial and technology hub. As a project of national importance, GIFT City has been designed to foster a thriving financial ecosystem that not only supports but also expands businesses, placing it on par with the world's leading financial hubs. This initiative aligns with India's vision of evolving into a developed nation, driving significant reforms to create a conducive business environment. Anchored in values of sustainability, inclusivity, and excellence, GIFT City embodies the vision of establishing a premier global financial and technology hub. Strategically located on the banks of the Sabarmati river between Ahmedabad and Gandhinagar, GIFT City serves as the economic centre, complementing the historical richness of Ahmedabad and the policy-driven environment of Gandhinagar.

Central to the functioning of GIFT City is the International Financial Services Centres Authority (IFSCA), established on October 01, 2020, under the International Financial Services Centres Authority Act, 2019. Headquartered in GIFT City, Gandhinagar, IFSCA serves as a unified authority for the development and regulation of financial products, services, and institutions within India's International Financial Services Centre (IFSC). Before its establishment, regulation of IFSC business fell under various domestic financial regulators, including RBI, SEBI, PFRDA, and IRDAI. Recognising the need for a cohesive

regulatory framework to address the dynamic nature of business in IFSCs, the IFSCA was created to streamline inter-regulatory coordination and enhance the ease of doing business. Its primary objective is to cultivate strong global connections, cater to the needs of the Indian economy, and serve as an international financial platform for both regional and global economies.

ASSESSING GIFT CITY'S OBJECTIVES

Under the Setting up and Operation of International Branch Campuses and Offshore Education Centres Regulations, 2022, of the IFSCA, the regulator brought forth a bevy of regulations, with the following objective – to establish GIFT IFSC as a global educational hub by facilitating the setup of International Branch Campuses by foreign universities, either independently or in other approved forms. These regulations also enable other foreign educational institutions to create Offshore Educational Centres within GIFT IFSC. The overarching goal is to transform GIFT IFSC into an international educational centre that attracts both Indian and foreign students across various disciplines.

Emphasising research in areas such as Banking, Insurance, Capital Markets, Funds Management, FinTech, Longevity Finance, Sustainable Finance, and Quantum Computing, the regulations aim to develop highly skilled professionals in finance, technology, and related fields. Additionally, the regulations promote executive education and ensure that the education provided meets world-class standards. To safeguard the interests of students, the regulations establish an objective and transparent registration process for foreign universities and educational institutions, allowing them to offer accredited courses and research programmes in GIFT IFSC.

ANALYSING THE REGULATIONS

The IFSCA (Setting up and Operation of International Branch Campuses and Offshore Education Centres) Regulations, 2022, aim to transform GIFT IFSC into a premier international educational hub. These regulations facilitate the establishment of courses, including research programmes, in critical areas such as Financial Management, FinTech, Science, Technology, Engineering, and Mathematics. According to the regulations, foreign

universities wishing to set up campuses must rank within the top 500 in global or subject rankings, while other foreign educational institutions need to be well-regarded in their home jurisdictions. Applicants must demonstrate substantial financial capability and commit to establishing suitable infrastructure to ensure the continuity of their programmes.

The regulations highlight a rigorous application process, requiring a resolution from the applicant's governing body, detailed information about infrastructure, faculty, fees, academic plans, and contingency arrangements in case of discontinuation. Applicants must also provide an undertaking that the degrees, diplomas, or certificates awarded in GIFT IFSC will be recognised in the home jurisdiction and equivalent to those awarded by the parent entity. Additionally, a Quality Assurance Audit report from a recognised agency in the home jurisdiction is mandatory.

Under the regulations, upon receiving applications, a Committee of Experts appraises them and makes recommendations to the Authority. Successful applicants receive in-principle approval and have 180 days to establish the necessary infrastructure and manpower, with possible extensions granted by the Authority. Upon fulfilling all conditions, a Certificate of Registration is issued, valid for five years and renewable for another five years.

The regulations further state that courses offered in GIFT IFSC must be identical to those in the parent entity's home jurisdiction, with any modifications approved by the parent entity's academic council and notified to the Authority. The degrees, diplomas, or certificates issued will hold the same recognition and status as those conferred in the home jurisdiction. Importantly, IBCs or OECs in GIFT IFSC cannot act as representative offices for promoting programmes outside GIFT IFSC.

In terms of the deposit, the Authority, after considering the scale of operation of the IBC or OEC, may require them to submit such deposit, in any form as it may deem fit. Additionally, the IBC or OEC which is keen on undertaking permissible activities is required to pay the Authority the following fees:

- Application Fee: USD 1,000 (one time)
- Initial Registration Fee: USD 25,000(one time)
- Annual Fee: USD 10,000 (Second year onwards)
- Processing fee for application seeking relaxation: USD 10,000

These regulations are designed to ensure that GIFT IFSC offers world-class education, fosters cutting-edge research, and provides top-tier executive education, thereby safeguarding student interests and ensuring high standards. By attracting leading global educational institutions, these regulations aim to position GIFT IFSC as a premier international educational centre, drawing students from both India and abroad, and contributing to India's reputation as a global leader in education and innovation. This holistic approach is expected to create

The IFSCA (Setting up and Operation of International Branch Campuses and Offshore Education Centres) Regulations, 2022, aim to transform GIFT IFSC into a premier international educational hub. These regulations facilitate the establishment of courses, including research programmes, in critical areas such as Financial Management, FinTech, Science, Technology, Engineering, and Mathematics. According to the regulations, foreign universities wishing to set up campuses must rank within the top 500 in global or subject rankings, while other foreign educational institutions need to be well-regarded in their home jurisdictions.

a vibrant academic ecosystem that supports the growth of high-end human resources in finance, technology, and related fields, furthering India's soft power on the global stage.

BOLSTERING THE TALENT & OPPORTUNITY ECOSYSTEM

The IFSCA Regulations have the power to significantly enhance GIFT City's position as a global hub for education and talent development, particularly in technology and finance. India boasts a vast pool of talent, especially in tech and finance sectors, with a steady supply of graduates eager to enter the workforce. For instance, in just financial year 2024, India has reportedly produced about 15 lakh engineering graduates¹, indicating the humungous amount of talent ready to shoulder the talent requirements at GIFT City. In terms of opportunities, GIFT City, already home to leading Global Capability Centres (GCCs), experiences strong demand for such skilled professionals, ensuring a robust demand-supply equilibrium. These enabling regulations are set to elevate GIFT City's status further, making India a formidable global soft power.

Separately, the regulations under consideration address the persistent issue of talent management and brain drain, by permitting prestigious foreign universities and educational institutions to establish campuses in GIFT IFSC. They create opportunities for Indian talent to access world-class education and research facilities within the country, reducing the need to seek such opportunities abroad. This strategic move is expected to reverse the brain drain, encouraging Indian professionals to stay and contribute to the country's growth. The influx of global institutions will not only provide Indian and foreign students with top-tier

¹ <https://timesofindia.indiatimes.com/gadgets-news/why-only-10-of-15-lakh-engineers-graduating-this-fiscal-year-may-find-jobs/articleshow/106134217.cms>



education opportunities in India but will also infuse GIFT City with international expertise, creating a rich, diverse learning environment.

Indeed, the regulations facilitate the creation of a vibrant academic ecosystem that meets the high standards of global education while catering to the specific needs of the Indian economy. By offering courses and research programmes in cutting-edge fields such as Financial Management, FinTech, Sustainable Finance, and Quantum Computing, GIFT IFSC is set to become a magnet for both domestic and international students. This integration of global and local talent will empower GIFT City to produce highly skilled professionals who are well-equipped to meet the demands of the global market.

DEVELOPMENTS SO FAR

The announcement of two Australian universities, Deakin University and the University of Wollongong, opening campuses at GIFT City in Gandhinagar, aligns with India's National Education Policy (NEP) 2020, which emphasises the internationalisation of education. The vice-chancellors of both universities have underscored the importance of international partnerships and the robust bilateral relations between India and Australia, even during challenging times like the COVID-19 pandemic. Deakin University's campus at GIFT City, the first international branch campus of a foreign university in India, has already received over 3,500 expressions of interest for just 100 seats in its Master of Cybersecurity (Professional) programme². These applicants come from diverse educational backgrounds, including IT, engineering, and computer science, from prestigious institutions like IIT, University of Pune, and University of Mumbai. Additionally, the Master of Business Analytics programme has attracted interest from students across various disciplines such as commerce, science, arts, technology, engineering, and business administration. The University of Wollongong is also inviting applications for its graduate certificate and master's programmes in

Financial Technology, along with its previously announced Master of Computing (Data Analytics) and Graduate Certificate in Computing programmes.

Further, the proposed International Fintech Innovation & Research Centre at GIFT City, supported by a USD 23 million loan agreement between the Government of India and the Asian Development Bank (ADB)³, is expected to significantly boost fintech education, research, and innovation. The Fintech centre will offer industry-aligned fintech training programmes that meet international standards and support startups, especially those led by women, through incubation and acceleration services. It will also foster collaboration between the industry, skills development institutes, and venture capital funds, enhancing the growth of fintech startups and contributing to employment opportunities, workforce competitiveness, and productivity in new and green technologies. The ADB programme will further support research on innovative solutions in climate fintech, regulatory technology, social inclusion, and gender equality in finance, establishing a state fintech readiness index and developing new solutions to emerging technologies.

CONCLUSION

The presence of these renowned global universities and the establishment of the International Fintech Institute is empowering GIFT City with world-class talent and education, offering Indian students exceptional opportunities within their country. This initiative not only aims to reverse the talent drain but also positions GIFT City as a premier global educational and fintech hub, contributing to India's stature as a global soft power. Indeed, these initiatives, are a game-changer for GIFT City, fostering a symbiotic relationship between educational excellence and economic development. They provide the framework for a world-class educational hub that will attract, retain, and nurture top talent, thereby solidifying India's position as a global leader in education and innovation.

² <https://indianexpress.com/article/cities/ahmedabad/over-3500-aspirants-for-100-seats-at-deakin-varsitys-gift-city-campus-9216910/>

³ <https://www.freepressjournal.in/education/india-and-adb-sign-23m-loan-agreement-to-boost-fintech-education-at-gift-city>

Sailing into the Future: GIFT IFSC's Ship Leasing Opportunities

Facilitating ship leasing in GIFT IFSC is a revolutionary move that compliments the Indian maritime sector by increasing India-owned tonnage and addressing the vessel demand-supply gap for EXIM trade. The tax incentives, streamlined regulations, and access to international capital enhance the competitiveness of the Indian shipping industry. This initiative aims position India as a leading maritime hub, driving sustained growth in the sector.



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INTRODUCTION

INDIA'S MARITIME BACKBONE: THE VITAL ROLE OF SHIPPING

Shipping plays a vital role in India's economy, driven by both domestic and global trade, as well as its strategic location on the world's major shipping routes. With a coastline of approximately 7,517 km, comprising 12 major and 205 minor ports, India's maritime sector is crucial for its economic growth.

According to the Ministry of Shipping, a significant proportion of India's goods trade relies on maritime transport, with around 95% of trade by volume and 70% by value being carried out through this mode.

INDIAN SHIPPING FLEET: A COMPARATIVE ANALYSIS

Despite its importance, India's shipping fleet stands at a modest 13.6 million gross tonnages, which is less than 1% of the world's total fleet of 1,565 million gross tonnages. This disparity has resulted in India being a country of charterers rather than ship-owners, leading to a substantial expenditure on chartering foreign flag vessels for international trade and significant exposure to maritime freight rates.

NAVIGATING TURBULENT WATERS: THE OBSTACLES FACED BY INDIAN SHIPPING COMPANIES

Several factors have driven Indian shipping companies to relocate their bases abroad. Attractive tax regimes in other countries, flags of convenience, lower costs of finance. Availability of low cost financing for vessels flying foreign flags, streamlined regulatory regimes, ease of doing business make it simpler for companies to operate and grow in some developed maritime hubs.

However, there are also several push factors including tax and non-tax matters have contributed to this trend. Additionally, the limited appetite of Indian financial institutions for long term financing for shipping vessels pushes up cost of finance for ship owners in India, further adding to the challenges faced by Indian shipping companies.

GIFT CITY AND IFSCA: A NEW HORIZON FOR MARITIME SECTOR

GIFT City, located in Gandhinagar, Gujarat, is India's first operational smart city and international financial services hub. It aims to provide a conducive environment for financial services and businesses, aspiring to compete with global financial centers like London, Singapore, and Dubai. The International Financial Services Centres Authority (IFSCA) was established to regulate and develop the financial products, financial services, and financial institutions in GIFT IFSC.

Ship leasing is a vital component of the global maritime industry, providing a crucial link between ship owners, operators, and financiers. As a key hub for international trade, India is witnessing a surge in demand for ship leasing services, driven by its growing economy and increasing reliance on imports.

Gujarat International Finance Tec-City (GIFT IFSC) is capitalizing on this trend, offering a unique ecosystem for ship leasing companies to thrive. With its business-friendly regulatory framework, attractive tax incentives, and ability to access global capital pool, GIFT IFSC is fast becoming a preferred destination for ship leasing companies looking to tap into the vast opportunities presented by the Indian market.

A BRIEF OVERVIEW OF IFSCA'S SHIP LEASING REGULATORY FRAMEWORK

The IFSCA has been actively promoting ship leasing, providing a globally benchmarked regulatory framework, attractive tax regime and low cost of operation.

a. Mode of Business

The entity may set up operations in an IFSC in the form of a Company or a Limited Liability Partnership (LLP) or a Trust or a Branch under this Framework or in any other form as may be specified by the IFSCA from time to time

b. Permissible activities

- Financial lease or a hybrid of a financial and operating lease, operating lease including sale and leaseback, purchase, novation, transfer, assignment, and other similar transactions in relation to ship lease;
- Voyage Charters, Contract of Affreightments, employment in shipping pools and all other legal commercial transactions for employment of ships;
- Asset Management Support Services for assets owned or leased out by the lessor or by any of its Group Entities set up in IFSCs in India;
- Any other related activity with the prior approval of the IFSCA.

c. Currency

The entity can deal in any freely convertible foreign currency as specified by IFSCA. The entity is permitted to defray its administrative expenses in INR.

TAX FRAMEWORK

Additionally, the government has introduced various tax incentives, including exemptions from withholding tax on lease payments and capital gains tax, to incentivize the development of the ship leasing and financing ecosystem within the GIFT IFSC.

Ship leasing is a vital component of the global maritime industry, providing a crucial link between ship owners, operators, and financiers. As a key hub for international trade, India is witnessing a surge in demand for ship leasing services, driven by its growing economy and increasing reliance on imports. Gujarat International Finance Tec-City (GIFT IFSC) is capitalizing on this trend, offering a unique ecosystem for ship leasing companies to thrive.

The conducive regulatory and tax environment, coupled with access to skilled manpower and robust infrastructure, has positioned the GIFT IFSC as an attractive destination for ship leasing companies.

a. Direct Tax

- Tax holiday for any 10 consecutive years out of the first 15 years.
- Minimum alternate tax (MAT) or alternate minimum tax at 9% of the book profits. – MAT is not applicable to companies in the IFSC opting for the new tax regime.
- No tax withholding on the payment of interest or royalty on account of lease payments to non-residents by a unit in the IFSC.
- No tax withholding on lease payments (including supplemental lease) from India to an IFSC unit during the tax holiday period.
- Withholding tax on Interest income exempt in the hands of non-resident lenders where such interest payments are made by a unit in the IFSC.
- Withholding of tax at the reduced rate of 10% on payments of dividend from units in the IFSC to non-residents.
- No capital gains on sale of ship during the tax holiday period.
- Tonnage tax can be opted for post the tax holiday period.

b. Indirect Tax

- Leasing a ship or ocean vessel in the IFSC is not subject to IGST, if the services are procured for authorised operations.
- Leasing a ship or ocean vessel by a unit in the IFSC to an Indian company is subject to IGST under forward charge on lease rental payments.



- Leasing a ship or ocean vessel by a unit in the IFSC to a unit in the IFSC or SEZ or outside India is not subject to GST.
- No stamp duty is leviable on certain transactions for 5 years commencing from December 2021.
- The import of a ship or ocean vessel into the IFSC is not subject to basic custom duty (BCD) subject to conditions.

THE MARITIME ECOSYSTEM IN GIFT IFSC

- **Gujarat Maritime Cluster:** Wholly-owned subsidiary of Gujarat Maritime Board in GIFT, one stop solution for the maritime industry and service providers.
- **Availability of Talent:** Gujarat Maritime University (GMU) in the vicinity of GIFT City offers a range of undergraduate and postgraduate courses such as Nautical Science, Marine Engineering, Naval Architecture, Shipbuilding, Port and Shipping Management.
- **Gujarat International Maritime Arbitration Centre (GIMAC)** - Special Alternate Dispute Resolution (ADR) center has been developed with world class infrastructure comparable with best arbitration centers across the globe.
- **Access to Funding:** GIFT IFSC provides access to a deep pool of funding from international investors, banks, and financial institutions. This enables ship leasing companies to raise capital at competitive rates, which they can then use to acquire ships and offer leasing services to their clients.
- **Gujarat IT/ITES Policy:** The Gujarat IT/ITES Policy provides additional incentives and benefits to IT and ITES companies operating in GIFT IFSC. This policy provides benefits such as subsidies on land and infrastructure, exemptions

from stamp duty and registration fees, and support for R&D and innovation.

THE TIDAL SHIFT


The impact of ship leasing from GIFT IFSC is multifaceted. Firstly, it will lead to increase in India owned tonnage allowing the IFSCA entities to bridge the gap between the demand and supply of vessels for the Indian EXIM trade, and to enhance the competitiveness and efficiency of the Indian shipping industry.

It can attract FDI inflows into the Indian maritime sector, leveraging the liberalized FDI policy and conducive business environment. Additionally, GIFT IFSC ecosystem can also facilitate investment and financing for Sagarmala-related initiatives, such as port infrastructure and maritime logistics projects, through ECB and other innovative financing solutions.

Furthermore, leasing transactions denominated in foreign currencies can contribute to India's forex reserves, enhancing the country's ability to manage external shocks and maintain exchange rate stability.

Finally, the availability of ship leasing services in GIFT IFSC can incentivize Indian shipping companies to bring back their offshore operations onshore, reversing the trend of offshore operations.

CONCLUSION

As India's economy continues to expand, driven by increasing commodity and consumer demand, and with a target of reaching \$ 1 trillion in merchandise exports by 2030, the shipping sector is poised for significant growth. Leveraging policy reforms and fostering a conducive business environment, India stands to capitalize on this upward trajectory. Already a leader in ship management and recycling, India with policy initiatives can harness the potential of the shipping industry, contributing to economic growth, employment generation, and the realization of India's goal of Viksit Bharat by 2047. 

Credit Rating Agencies: Opportunities at GIFT IFSC

Global capital plays a vital role in funding the long-term capital intensive and developmental projects like creation of infrastructure and setting up manufacturing units. India is expected to become the third-largest economy in the world in the next three years^[2]. This article examines the critical role of Credit Rating Agencies (CRA) in global finance and explores the opportunities for CRAs at GIFT IFSC, India's gateway to international capital.



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INTRODUCTION

In the world of finance, credit ratings act as a bridge between investors and borrowers. By assessing the likelihood of borrowers repaying their debts, credit ratings help investors understand the risk involved in purchasing a particular security. Credit rating provides transparency to the investors regarding creditworthiness of borrowers, which in turn impacts the interest rates demanded by investors. CRAs assign the ratings based on various factors such as financial performance, business and industry risk, operational performance, ability to service the debt, legal and regulatory environment etc.

CRAs play a crucial role in the global financial markets by providing independent assessments of the creditworthiness of various entities, including sovereigns,

corporations, and financial instruments. These assessments help investors make informed decisions, facilitate the efficient allocation of capital, and promote financial stability.

SIGNIFICANCE OF CREDIT RATING AGENCY

CRAs remain an essential part of the financial system by providing independent assessments of creditworthiness, expressed as credit ratings, which are crucial for various stakeholders:

- **Investors:** The assessment of CRA enable the investors to make well-informed decisions by evaluating the ability of borrowers, such as sovereign governments and corporations, to repay their debts. Credit ratings serve as a critical guide for investment decisions across a wide range of asset classes, from bonds to structured finance products. By offering a standardized measure of credit risk, CRAs help investors to assess the potential returns relative to the risks involved, manage portfolio diversification, and make strategic investment choices that align with their risk tolerance and financial goals.
- **Issuers including sovereign:** Credit ratings offer several benefits to issuers, including sovereign governments. A favorable credit rating from a reputable CRA enhances an issuer's ability to access capital markets more effectively, allowing them to raise funds through bonds and other financial instruments at lower interest rates. This reduces the issuer's overall cost of borrowing and signals financial stability, which can attract a broader investor base.
- **Regulators:** Credit ratings assist regulators in assessment of systemic risks within the financial system. Credit ratings can also be used to set regulatory capital requirements for financial institutions, ensuring stability and resilience in the financial sector.

IOSCO PRINCIPLES

The global financial crisis of 2008 (GFC) cast a spotlight on the critical role of CRAs and their impact on the stability of the international financial system. The crisis exposed weaknesses in the methodologies used

by CRAs, particularly in their assessment of complex financial instruments like mortgage-backed securities. These instruments were often assigned investment-grade ratings despite harboring significant risk, leading to a domino effect when the housing market collapsed.

In the aftermath of the GFC, policymakers and regulators around the world have taken steps to strengthen the oversight and governance of credit rating agencies. The International Organization of Securities Commissions (IOSCO) introduced a new Principle on CRAs during the revision of Principles in 2010 stating that - *“Credit rating agencies should be subject to adequate levels of oversight. The regulatory system should ensure that credit rating agencies whose ratings are used for regulatory purposes are subject to registration and ongoing supervision.”*

IOSCO has also updated the Code of Conduct Fundamentals for CRAs¹ in 2015, which is intended to offer a set of robust, practical measures as a guide to and a framework for CRAs with respect to protecting the integrity of the rating process, ensuring that investors and issuers are treated fairly, and safeguarding confidential material information provided them by issuers.

GIFT IFSC: GATEWAY FOR INDIA

Global capital plays a vital role in funding the long-term capital intensive and developmental projects like creation of infrastructure and setting up manufacturing units. India is expected to become the third-largest economy in the world in the next three years². It has one of the lowest External Debt to GDP of 18.90% when compared to other large economies like Japan (107.7%) and Germany (148.2%)³. This indicates that there is significant potential for India to leverage global capital to fuel the infrastructure and manufacturing growth. Thus, GIFT IFSC, maiden international financial services centre in India, can contribute significantly facilitating foreign currency inflows in India.

GIFT IFSC offers various advantages to the market participants:

- **Robust regulatory framework:** GIFT-IFSC is regulated by International Financial Services Centres Authority (IFSCA), a unified regulator in IFSC. The regulations in IFSC have been benchmarked with the other international financial centres. The aim is to bring back India related financial services and transactions that are currently being carried outside of India by promoting ease of doing business in IFSC.

GIFT IFSC presents a compelling opportunity for CRAs to expand their reach and cater to a global audience. By establishing a presence here, CRAs can leverage international best practices, attract new clients, and offer a wider range of services to the world. This will not only strengthen their reputation but also contribute to the development of GIFT IFSC as a leading international financial center, fostering a more transparent, efficient, and inclusive financial ecosystem.

- **Competitive tax regime:** Government of India has provided certain tax benefits in form of capital gains tax exemption for non-resident for trading on securities on the stock exchanges in IFSC, 10-year tax holiday for the entities in IFSC, lower rate of withholding tax on interest from bonds listed on IFSC exchanges etc.
- **Access to Indian market:** GIFT-IFSC provides a platform for the foreign investors and NRIs to access foreign securities by Indian issuers under the regulatory ambit of IFSCA.

REGULATORY FRAMEWORK FOR CRAs IN IFSC

The regulatory framework for CRAs has been specified IFSCA (Capital Market Intermediaries) Regulations, 2021⁴. These regulations provide a regulatory regime for the all the capital market intermediaries in IFSC such as Broker-Dealers, Clearing Members, Depository Participants, Investment Bankers, investment Advisors, credit Rating Agencies etc.

The regulations provide the requirements for grant of recognition by IFSCA, net worth requirements, fit and proper criteria, obligations and responsibilities, risk management, code of conduct and other requirements to be followed by the CRAs in the IFSC.

OPPORTUNITIES FOR CRAs IN GIFT IFSC

GIFT IFSC offers an attractive business proposition for CRAs seeking to expand their footprint and cater to a diverse range of clients. GIFT IFSC can provide the opportunities in various sectors:

¹. <https://www.iosco.org/library/pubdocs/pdf/IOSCOPD482.pdf>

². <https://pib.gov.in/PressReleaseDetail.aspx?PRID=2001124>

³. CEIC Data

⁴. <https://ifsc.gov.in/Document/Legal/ifsc-capital-market-intermediaries-regulations-2021-as-amended-up-to-july-3-202320072023040848.pdf>



CAPITAL MARKETS

- a) **Debt Listing:** CRAs play a critical role in listing of debt by assigning the credit rating to companies seeking to raise capital. In IFSC, credit rating is proposed to be made mandatory for the debt issuances. This will provide transparency to the investors regarding creditworthiness of borrowers, facilitating the investment at appropriate interest rate.
- b) **Initial Public Offerings:** Listing of Indian companies on the stock exchanges in GIFT IFSC will provide the opportunity to CRAs for providing credit ratings for IPOs. Further, CRAs can also play the role of Monitoring Agencies for monitoring use of proceeds.

BANKING

- a) **Commercial Loans & Syndicate Loans:** For commercial loans and syndicated loans offered by banks at GIFT IFSC, CRAs can assign ratings to both the borrower and the loan itself. This transparency is crucial for banks to attract lenders and for borrowers to secure loans at competitive rates.
- b) **Trade Finance:** CRAs can offer ratings for trade finance instruments like letters of credit which will enhance confidence in trade transactions and facilitate cross-border trade.

- c) **CDs (Certificates of Deposit):** CRAs can provide credit ratings for CDs issued by banks operating within GIFT IFSC. These ratings will help investors assess the creditworthiness of the issuing bank and make informed decisions about investing in these short-term debt instruments.
- d) **Structured Finance Products:** CRAs can also play an important role by providing ratings for structured finance products like asset-backed securities or collateralized loan obligations assisting the investors to understand the risk profile of these complex products.

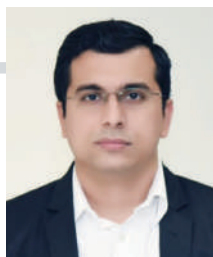
Other services: CRAs can also extend other services in IFSC as permitted by IFSCA.

CONCLUSION

GIFT IFSC presents a compelling opportunity for CRAs to expand their reach and cater to a global audience. By establishing a presence here, CRAs can leverage international best practices, attract new clients, and offer a wider range of services to the world. This will not only strengthen their reputation but also contribute to the development of GIFT IFSC as a leading international financial center, fostering a more transparent, efficient, and inclusive financial ecosystem.

Capital Markets Ecosystem in GIFT-IFSC

IFSCA had notified the IFSCA (Market Infrastructure Institutions) Regulations in April, 2021¹ providing a unified regulatory framework for stock exchanges, clearing corporations and depositories operating in IFSC. The regulations, inter-alia provide for the requirements for grant of recognition of MIIs, net worth requirement and shareholding requirements, fit and proper criteria for Directors, Shareholders and KMPs of MIIs, Governance norms and code of conduct to be followed by MIIs.



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INTRODUCTION

The International Financial Services Centres Authority (IFSCA) has been established on April 27, 2020 under the International Financial Services Centres Authority Act, 2019. It is headquartered at GIFT City, Gandhinagar in Gujarat.

IFSCA was established in 2020 as a unified regulator with a holistic vision to promote ease of doing business in IFSC and provide a world class regulatory environment. The main objective of IFSCA is to develop a strong global connect and focus on the needs of the Indian economy as well as to serve as an international financial platform for the entire region and the global economy as a whole.

The IFSCA is a unified authority for the development and regulation of financial products, financial

services and financial institutions in the International Financial Services Centre (IFSC) in India. At present, the GIFT-IFSC is the maiden international financial services centre in India. Prior to the establishment of IFSCA, the domestic financial regulators, namely, RBI, SEBI, PFRDA and IRDAI regulated the business in IFSC.

CAPITAL MARKETS ECOSYSTEM IN IFSC

The Capital Markets ecosystem in IFSC consists of:

- Market Infrastructure Institutions (MIIs) which comprise the Stock Exchanges, Clearing Corporations and Depository
- Capital Market Intermediaries (CMIIs) such as Broker-Dealers, Clearing Members, Depository Participants, Investment Advisors, Custodians, Investment Bankers, etc.

The MIIs provide the necessary infrastructure for listing, trading, clearing and settlement of securities and form the crucial pillars of the capital market ecosystem. At present, there are two Stock Exchanges, two Clearing Corporations and one Depository in IFSC:

Name	Type of MII	Owned by
India International Stock Exchanges IFSC Limited	Stock Exchange	Subsidiary of BSE Limited
NSE IFSC Limited	Stock Exchange	Subsidiary of NSE India
India International Clearing Corporation IFSC Limited	Clearing Corporation	Subsidiary of BSE
NSE IFSC Clearing Corporation Limited	Clearing Corporation	Subsidiary of NSE Clearing Limited
India International Depository IFSC Limited	Depository	Owned by a consortium led by BSE, NSE, MCX, NSDL and CDSL

Additionally, there are 127 capital market intermediaries registered with IFSCA in the form of Broker-Dealers, Clearing Members, Depository Participants, Investment Advisors, Custodians, Investment Bankers and Debenture Trustees.

REGULATORY FRAMEWORK FOR MARKET INFRASTRUCTURE INSTITUTIONS IN IFSC

IFSCA had notified the IFSCA (Market Infrastructure Institutions) Regulations in April, 2021¹ providing a unified regulatory framework for stock exchanges, clearing corporations and depositories operating in IFSC. The regulations, *inter-alia* provide for:

- the requirements for grant of recognition of MIIs
- net worth requirements
- shareholding requirements
- fit and proper criteria for directors, shareholders and Key Management Personnel of MIIs
- the corporate governance norms and code of conduct to be followed by the MIIs

The extant corporate governance norms require the MIIs to constitute their Governing Board in such a way that the number of Public Interest Directors (Independent Directors) should not be less than the Shareholder Directors. Further, it also mandates the appointment of the Chairman of the Governing Board from the Public Interest Directors.

The regulations also require the MIIs to follow the broader principles of governance prescribed under the Principles for Financial Market Infrastructures by the Committee on Payments and Market Infrastructures (CPMI) and International Organization of Securities Commissions (IOSCO).

IFSCA has mandated the constitution of various Committees² by the MIIs for effective regulatory oversight on their functioning. Such Committees include the Member Selection Committee, Investor Grievance Redressal Committee, Nomination and Remuneration Committee, Standing Committee of Technology, Regulatory Oversight Committee, Audit Committee. Additionally, the code of conduct and code of ethics for Directors and Key Managerial Personnel of the MIIs has also been specified by IFSCA by way of a circular.³

REGULATORY FRAMEWORK FOR CAPITAL MARKET INTERMEDIARIES IN IFSC

IFSCA has notified the IFSCA (Capital Market Intermediaries) Regulations, 2021 (CMI Regulations)⁴ for providing regulatory framework for various capital market intermediaries in IFSC. The CMI Regulations provide a comprehensive and unified regulatory framework for regulatory requirements in respect of registration, obligations and responsibilities, cross-border business,

The Connect aims to bring together international and GIFT-IFSC participants to create a bigger liquidity pool for Nifty products in GIFT-IFSC. SGX has set up a subsidiary in GIFT-IFSC to act as a pass-through entity for orders routed through SGX which is registered with IFSCA as broker-dealer cum clearing member. Full-scale operations of GIFT Connect commenced from July 3, 2023 with US\$8.05 billion open interest in Nifty futures and over US\$1.04 billion open interest in Nifty Options. Following the transition, all US dollar-denominated Nifty derivatives contracts are being exclusively traded on NSE IFSC for more than 21 hours in a day which overlaps Asia, Europe, and US trading hours.

inspection, and enforcement of various types of capital market intermediaries.

All the capital market intermediaries in IFSC are subject to a fit and proper criteria and code of conduct as specified in the CMI Regulations.

OFFERINGS BY STOCK EXCHANGES IN IFSC

Stock Exchanges in IFSC offer trading in Equity Index Derivatives, Currency Derivatives, Commodity Derivatives, Bonds (Green bonds, corporate bonds, masala bonds, sustainable bonds, etc) and Depository Receipts. The trading, clearing and settlement in IFSC happens in US Dollar eliminating foreign exchange risk for foreign investors and providing access to Indian capital markets.

The most popular index derivatives available on India INX are S&P BSE SENSEX & S&P BSE SENSEX 50. NSE IX offers trading in Futures and Options contracts on four Indices which are, NIFTY 50 Index, NIFTY BANK INDEX, NIFTY FINANCIAL Services Index, NIFTY IT Index.

The trading by non-residents in the securities listed on the Stock Exchanges in IFSC is exempt from capital gains tax. Additionally, the trading on stock exchanges in IFSC is also exempt from Securities Transaction Tax. This acts as a major incentive for non-resident investors to trade on the stock exchanges.

The Stock Exchanges in IFSC are open for trading for more than 21 hours in a day which overlaps the time zones of Japan, Europe, and USA and offers convenience in trading hours to international investors from various jurisdictions.

Subsequent to the full-scale operationalization of GIFT Connect, there has been a 75% increase in the turnover of derivatives on the Stock Exchanges in FY 2023-24 in comparison to FY 2022-23.

¹ <https://ifsc.gov.in/Document/Legal/ifsc-market-infrastructure-institutions-regulations-202119042021052010.pdf>

² <https://ifsc.gov.in/Document/Legal/committees-at-market-infrastructure-institutions-miis-in-ifsc-28062022095230.pdf>

³ <https://ifsc.gov.in/Document/Legal/circular-for-the-code-of-conduct-and-code-of-ethics-for-the-directors-and-key-managerial-personnel-of-the-miis-gift-ifsc13092021100456.pdf>

⁴ <https://ifsc.gov.in/Document/Legal/ifsc-capital-market-intermediaries-regulations-2021-as-amended-up-to-july-3-202320072023040848.pdf>



GIFT CONNECT

The NSE IFSC-SGX Connect (rebranded as the GIFT Connect) is a mutual collaborative effort between the NSE International Exchange (NSE-IX) and the Singapore Exchange (SGX). With India's economy projected to become the world's third largest in the near future, the GIFT Connect presents an innovative pathway for international investors to gain exposure to India equities market.

The Connect aims to bring together international and GIFT-IFSC participants to create a bigger liquidity pool for Nifty products in GIFT-IFSC. SGX has set up a subsidiary in GIFT-IFSC to act as a pass-through entity for orders routed through SGX. This subsidiary is registered with IFSCA as a Broker-Dealer cum Clearing Member.

The full-scale operations of GIFT Connect commenced from July 3, 2023 with US\$8.05 billion open interest in Nifty futures and US\$1.04 billion open interest in Nifty Options migrating from SGX to NSE-IX. Following this transition, all US dollar-denominated Nifty derivatives contracts are being exclusively traded on NSE-IX. The trading activity on NSE-IX has been witnessing steady growth since this transition.

During the period July 2023 to June 2024, the total turnover in NIFTY products \$881.26 billion with the highest monthly turnover of \$95.55 billion being recorded in the month of June 2024.

DIRECT LISTING

The Hon'ble Union Minister of Finance and Corporate Affairs of India on July 28, 2023, announced the decision

of Government of India to allow direct listing of equity shares of public Indian Companies on the international exchanges in the IFSC ("Direct Listing").

Subsequently, the Government of India has on January 24, 2024 notified Foreign Exchange Management (Non-debt Instruments) Amendment Rules, 2024 and the Companies (Listing of Equity Shares in Permissible Jurisdictions) Rules, 2024 enabling direct listing of equity shares by public Indian companies on the international exchanges in the IFSC.

IFSCA has the regulatory framework for issuance and listing of securities in form of IFSCA (Issuance and Listing of Securities) Regulations, 2021. The listing regulations issued by IFSCA is proposed to be revised in line with global best practices. It is expected that Indian companies, especially the start-ups in the sunrise and technology sectors can utilize the opportunity to raise foreign capital through Direct Listing on Stock Exchanges in IFSC.

CONCLUSION

The capital market ecosystem in GIFT-IFSC represents a dynamic and sophisticated environment designed to cater to the diverse needs of global financial participants. The presence of world-class Market Infrastructure Institutions supported with robust regulatory framework and favorable tax regime enhances the attractiveness of IFSC as premier international financial hub. The recent announcement of Direct Listing is expected to play a pivotal role for the issuers and investors in GIFT-IFSC and contribute towards the vision of Government of India to make GIFT-IFSC as a gateway for inflow of capital into India.



REITs and InvITs: Opportunities at GIFT IFSC India's Massive Infrastructure and Real Estate Needs – An Enormous Opportunity

With a GDP of USD 3.75 Trillion, placing it at the 5th rank in terms of the world's largest economy, today India stands as an emerging economic powerhouse. The nation's trajectory towards a USD 5 trillion economy is underpinned by robust structural reforms and a strategic vision to become a developed nation by 2047.



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INTRODUCTION

With a GDP of USD 3.75 Trillion, placing it at the 5th rank in terms of the world's largest economy, today India stands as an emerging economic powerhouse. The nation's trajectory towards a USD 5 trillion economy is underpinned by robust structural reforms and a strategic vision to become a developed nation by 2047. Central to this sustained growth are the infrastructure and real estate sectors, which are vital for the economic and social development.

Over the past few years, India has witnessed a historic transformation with large-scale infrastructure

projects undertaken at an accelerated pace. From ambitious highway construction plans, smart cities mission, modernization of railways, airports and urban infrastructure, investing in logistics, clean energy and net-zero initiatives, the country has achieved significant milestones in infrastructure development. Under Interim Budget 2024-25, capital investment outlay for infrastructure has been increased by 11.1% to Rs. 11.11 lakh crore (USD 133.86 billion). While this trend is likely to continue further, there is a huge scope and opportunity for private capital. As per some estimates, more than half of India's urban infrastructure needs till 2030, including housing, electricity, transportation, water, and waste management, are yet to be developed. India needs to invest approx. USD 4.5 trillion in infrastructure to enhance economic growth and societal well-being¹.

The real estate sector in India is expected to reach USD 1 trillion in market size by 2030, up from approx. USD 200 billion in 2021 and contribute 13% to the country's GDP by 2025². Along with private demand and investments, the government's target of "Housing for All" has also fueled demand for real estate, making it a lucrative investment opportunity.

Due to the long gestation period and illiquid nature of assets, infrastructure and real estate are the perfect use cases for patient capital. This creates a huge opportunity for large foreign institutions, such as Sovereign Wealth Funds, Pension Funds, Endowment Funds, Multilateral Institutions, etc., which are typical providers of patient capital, to participate in the India's growth journey. While the Government has already permitted foreign investments in infrastructure and a wide variety of real estate developments under the Foreign Exchange Management (Non-Debt Instruments) Rules, 2019, there is a need to provide alternative routes / channels to such investors to facilitate their investments into India, depending on their preference, risk appetite, etc. Therefore, attracting patient domestic and global capital into investment vehicles like Real Estate Investment Trusts (REITs) and Infrastructure Investment Trusts (InvITs) is imperative for the developmental ambitions of the country.

¹ India Brand Equity Foundation (<https://www.ibef.org/blogs/sustainable-infrastructure-india-s-path-to-a-resilient-future>)

² India Brand Equity Foundation (<https://www.ibef.org/industry/real-estate-india.aspx>)

Over the past few years, India has witnessed a historic transformation with large-scale infrastructure projects undertaken at an accelerated pace. From ambitious highway construction plans, smart cities mission, modernization of railways, airports and urban infrastructure, investing in logistics, clean energy and net-zero initiatives, the country has achieved significant milestones in infrastructure development.

REITs AND INVITs: BRIDGING THE FUNDING GAP

The concept of REITs originated in the United States in 1960. Since then, numerous jurisdictions, including Singapore, Japan and Hong Kong in Asia, have established successful regulatory frameworks for these investment vehicles. In India, the capital market regulator, SEBI, has created regulatory frameworks for REITs and InvITs in 2014. As per a recent report³, REITs and InvITs in India have raised INR 17,116 crore in FY 2023 -2024, which is demonstrative of the rising demand for such investment opportunities.

REITs and InvITs offer innovative solutions for developers and asset owners seeking to monetize their income-generating real estate or infrastructure assets. By flipping these assets under a trust structure, they can unlock capital deployed in such assets while retaining a stake in the ownership. Units representing ownership in these trusts may then be traded on stock exchanges, allowing for wider participation and enabling investors to participate in this sector and earn a share of the income without directly purchasing the assets themselves. While REITs focus on income-generating properties like office buildings, shopping malls, etc., InvITs typically invest in infrastructure assets such as roads, renewables, tower infrastructure, etc.

REITs and InvITs provide investors with a *sachetized* way to invest in established, rent-generating assets and receive a portion of the income through regular distributions. This combines the potential for capital appreciation associated with real estate and infrastructure with the liquidity of publicly traded stocks. In a way, REITs and InvITs share the features of both equity and debt, classifying them as **hybrid instruments**. Over time, REITs have demonstrably transformed the real estate market, benefiting both investors and developers.

³. Business Standard (https://www.business-standard.com/industry/news/fundraise-by-invits-reits-surges-multi-fold-to-rs-17-116-cr-in-fy24-124040700133_1.html)

SEBI regulations facilitated the launch of first InvIT in 2017, followed by the first REIT in India in 2019. These paved the way for more real estate and infrastructure development companies with sizeable portfolios of income-generating properties to establish their own REITs and InvITs, significantly boosting investor confidence in these sectors.

Further, several reforms brought by the Government in these sectors, such as notification of Real Estate (Regulation and Development) Act, 2016, which led to institution of Real Estate Regulatory Authority; launch of National Monetisation Pipeline under Union Budget 2021-22, which provides a clear roadmap for monetization of infrastructure assets to tap private sector investment, and many more, have further aided in inspiring trust in these sectors, making it more lucrative for private investments.

GIFT IFSC: GATEWAY FOR FOREIGN INVESTMENTS IN INFRASTRUCTURE & REAL ESTATE SECTORS

GIFT City is India's first operational Greenfield smart city which also houses India's maiden International Financial Services Centre (IFSC). Regulated by a unified regulator, International Financial Services Centres Authority (IFSCA), GIFT IFSC aims to bring to Indian shores all those India-centric financial products and services which have over the years migrated to offshore financial centres. Due to its globally benchmarked regulatory regime, competitive taxation treatment, best-in-class infrastructure and policies that foster ease of doing business, GIFT-IFSC is rapidly emerging as an attractive destination for international financial service providers.

Notified in April 2022 pursuant to an extensive consultation exercise, the IFSCA (Fund Management) Regulations, 2022 provide a unified regulatory regime for all types of fund management activities, including management of REITs and InvITs (investment trusts). Depending on the nature of fund management activities that a Fund Management Entity (FME) intends to pursue in GIFT-IFSC, it may obtain a registration in any one of the 3 categories – Authorised, Registered (Non-Retail) and Registered (Retail), which entail regulatory requirements, such as net worth, infrastructure and manpower, commensurate to the nature and scale of business operations.

Within a short span of approx. 2 years since the notification of the regulations, the fund management industry in GIFT-IFSC has grown at a healthy pace. As on May 31, 2024, there are 124 FMEs registered with IFSCA, which have collectively launched more than 130 investment schemes, targeting to raise corpus of approx. USD 37 Billion.

While the fund management activities in IFSC so far have been largely centered around Venture Capital Schemes and Restricted Schemes (similar to Alternative



Investment Funds under SEBI's regulatory regime), there is an immense potential for GIFT-IFSC to act as the landing point for India-bound investments into Infrastructure and Real Estate sectors through REITs and InvITs (investment trusts). Further, due to its innate advantages of availability of skilled manpower, low cost of operations and competitive tax framework, GIFT IFSC also has the potential to become the preferred destination for launching international REITs and InvITs, which may cater to the investment needs of global investors.

ADVANTAGES FOR REITs & INVITs IN GIFT-IFSC

Launching REITs and InvITs (investment trusts) in GIFT-IFSC offers several advantages to the investors and developers:

- **Reduced Currency Risk:** Irrespective of the currency of the jurisdiction where the assets reside, units of investment trusts in IFSC will be denominated in one of the freely convertible foreign currencies specified by IFSCA. This significantly reduces the currency risk of the investors, brings about efficiency of operations, thereby, leads to enhancement of return.
- **Tax Advantages:** Units of investment trusts traded on IFSC stock exchanges are exempt from capital gains tax. This reduces the effective rate of taxation for the investors and leads to achievement of better returns.
- **Simplified Onboarding Process:** As an international financial centre, the investor onboarding process in IFSCA regulated entities is simplified to a great extent, with efforts being made to bring further improvement.
- **Access to Global Capital & Global Assets:** The IFSC platform unlocks the opportunity to tap a vast pool of

global capital and allows management of global assets. These features along with the globally benchmarked regulatory regime brings a compelling opportunity for the asset managers to plan their global REITs in GIFT-IFSC.

- **Private Placement:** The regulations allow FMEs to raise funds either by public issuance of their units or by private placement, providing them with wider options to raise capital and cater to the demands of investors of different profiles.
- **Diversified Capital Raising:** Multiple avenues exist for raising capital:
 - ♦ **Primary listing:** Access to a broader international investor base, globally benchmarked regulations, flexibility and scalability of operations.
 - ♦ **Secondary Listing:** Existing REITs and InvITs from other jurisdictions can gain access to a much larger global capital pool, including offshore non-residents.

GIFT IFSC presents a compelling opportunity for the growth and development of REITs and InvITs in India. The IFSCA's well-defined regulatory framework and competitive tax framework offered by the Government make these investment vehicles significantly more appealing to global investors. As India's infrastructure and real estate sectors flourish, GIFT IFSC is poised to emerge as a preferred global hub for listing domestic as well as international assets. This will aid in attracting a wider pool of global capital to India and empower Indian developers to access global markets, ultimately accelerating India's economic growth and realization of the vision of *Viksit Bharat @ 2047*.

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GIFT IFSC a Global FinTech Hub: Regulatory Innovation Benchmarking Global Best Practices

In the Union Budget 2021, the Hon'ble Finance Minister announced that Government of India would be supporting a World Class Fintech Hub at GIFT IFSC. IFSCA in line with this vision formulated a strategy to give the boost to the establishment of a world class Fintech Hub at GIFT IFSC, comparable with other International Financial Centers (IFCs) around the globe, by supporting Fintech firms for proof of concept (PoC), minimum viable product (MVP), prototype development, product trials, commercialization, and global market access. The strategy inter-alia addresses the needs of (a) Indian FinTech firms wanting to go global, (b) Foreign Fintech firms who want to come to GIFT IFSC and domestic area (c) Indian FinTech firms aiming to grow its Indian business or wanting to work on regulatory sandbox, PoC etc in IFSCs.



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INTRODUCTION

Technology enabled innovation in financial services are fast reshaping economic and financial landscape globally. The developments in the FinTech landscape in the last few years have demonstrated that Policy makers and Regulators may need to constantly revisit the existing laws and regulatory frameworks and fine tune them to cover new activities and business models that have been brought about by financial technology with adequate safeguards to protect the integrity of financial system.

Globally FinTech hubs have been successful when the FinTech start-ups are able to collaborate with Financial Institutions (Banks, Insurance Companies, Stock Exchanges, Funds, etc.) and Regulators. This helps them with required approvals, the large customer base of a Financial Institute (FI), industry expertise to develop products in collaboration with the FI and also do a successful Proof of Concept (PoC) with the FIs. To enable and augment the collaboration, government and government agencies around the world have supported such initiatives.

In the Union Budget 2021, the Hon'ble Finance Minister announced that *Government of India would be supporting a World Class Fintech Hub at GIFT IFSC*. IFSCA in line with this vision formulated a strategy to give the boost to the establishment of a world class FinTech Hub at GIFT IFSC, comparable with other International Financial Centers (IFCs) around the globe, by supporting FinTech firms for Proof of Concept (PoC), Minimum Viable Product (MVP), prototype development, product trials, commercialization, and global market access. The strategy inter-alia addresses the needs of (a) Indian FinTech firms wanting to go global, (b) Foreign Fintech firms who want to come to GIFT IFSC and domestic area (c) Indian FinTech firms aiming to grow its Indian business or wanting to work on regulatory sandbox, PoC etc in IFSCs.

To create visibility and mindshare among FinTech's globally, IFSCA launched "InFinity Forum" (a global thought leadership forum) under the aegis of Ministry of Finance, Govt of India, as a part of its strategy The forum is a flagship financial technology event, uniting the world's leading minds in policy, business and technology to explore and advance the biggest ideas in FinTech and to develop those ideas into global solutions and opportunities. IFSCA has conducted two forums (2021 and 2023) both of which were inaugurated by Hon'ble Prime Minister of India.

The most notable outcome of InFinity Forum 1.0 (which was focused on the theme FinTech beyond Boundaries, FinTech Beyond Finance and FinTech

Upon Limited Use Authorization, the FinTech Entity shall proceed towards the “Development and/or Testing Stage” for development and/or testing the proposed solution. The FinTech Entity has to adhere to and fulfil host of conditions and criteria during the development/testing stage like evaluation parameters, submission of test related information, Obligation of the FinTech Entity towards the users/investors of the project, boundary conditions, feasibility of regulatory exemptions sought etc.

beyond Next) was the launch of a *Unique Regulatory Framework for FinTech Entity in IFSCs* by IFSCA in February 2022.

FRAMEWORK FOR FINTECH ENTITY IN THE IFSCs

Financial authorities around the globe have resorted to various ways of responding to fintech developments. For one, regulators may put in place fintech-specific licensing regimes that require entities to go through an authorization process before they can offer their fintech services. Alternatively, or complementarily, they may issue requirements that are fintech-specific, modify existing ones or even prohibit certain activities. Some authorities have taken the path of explaining how the existing regulatory framework is applied to fintech business models and clarifying their supervisory expectations.

The “Framework for FinTech Entity in the IFSCs” is a light touch regulatory framework which not only aims at fostering innovation in financial services through innovation facilitators like Regulatory/Innovation Sandbox for FinTech activities spanning across Banking, Capital Market, insurance sector etc. but also enables the pure play technology companies providing allied activities/services to BFSI sector be regulated in GIFT IFSC. It covers (i) financial technology (FinTech) solutions resulting in new business models, applications, process or products in areas/activities linked to financial services regulated by IFSCA and (ii) advanced/innovative technological solutions which aid and assist activities in relation to financial products, financial services and financial institutions (TechFin).

REGULATORY PROVISIONS FOR FINTECH COMPANIES

‘FinTech’ refers to financial technology solutions which result in new business models, applications, process or products in financial services regulated by the Authority or advanced/innovative technology solutions which aid and assists activities in relation to financial products, financial services and financial institutions.

FinTech activities are performed in different sectors of the financial industry and can be found in following financial

service categories: (i) deposit and lending; (ii) capital-raising and alternative sources of funding; (iii) asset management, trading and related services; (iv) payments, clearing and settlement services; (v) insurance. These areas have been broadly incorporated in the Framework under the verticals of Banking, Capital markets and Insurance by way of an illustrative list at Annexure -I of the Framework. The same is given below:

ILLUSTRATIVE LIST OF AREAS/ACTIVITIES UNDER FINTECH

Banking sector	Capital market and fund management	Insurance sector
Remittance and payments	Crowd funding	InsurTech
Digital lending	Personal finance	Innovative technologies for insurance life cycle (underwriting, claims management of life/health products etc.)
Buy Now Pay Later	Wealth Tech	Digital innovation for global health insurance cover
Crowd Lending	Robo Advisory	Innovation in commercial insurance
Digital Bank (Neo Banking/Challenger bank)	Sustainable Finance products	Digital platform for settlement of balances between insurance companies
Open banking	Alternate trading platforms	Open insurance
		Embedded insurance
		Cyber insurance

An applicant who desires to test and/or develop FinTech solution/idea pertaining to any of the FinTech activities linked to financial services regulated by IFSCA may apply under the framework for IFSCA FinTech Regulatory/Innovation Sandbox subject to fulfilment of eligibility criteria mentioned in the Framework. The application shall be subject to a screening process and the applicant shall be informed of its potential suitability for Sandbox. Subsequently, IFSCA may accord the applicant Limited Use Authorization as “FinTech Entity (FE)” to develop and/or test the proposed product /solution in the IFSCA FinTech Regulatory or Innovation Sandbox as may be applicable.

Upon Limited Use Authorization, the FinTech Entity shall proceed towards the “Development and/or Testing Stage” for development and/or testing the proposed solution. The FinTech Entity has to adhere to and fulfil conditions and criteria like evaluation parameters, submission of test related information, Obligation of the FinTech Entity towards the users/investors of the project, boundary conditions, feasibility of regulatory exemptions sought etc. during the development/testing stage. At the end of the testing period, the Limited Use Authorization as FinTech Entity granted to the Applicant including the legal and regulatory requirements relaxed by IFSCA, shall expire. Post testing period, IFSCA shall decide whether to permit the FinTech innovation to be introduced in the market on a wider scale.

- In case where IFSCA allows the innovation to be introduced at wider scale, the FE may (i) carry out the business under any of the licensing or registration



criteria under various IFSCA regulations applicable on it or (ii) carry out business with modified regulatory dispensation as specified by IFSCA. The FE thereafter may be “Authorized” by IFSCA to conduct business under appropriate regulatory regime.

- When IFSCA does not allow the innovation to be introduced on a wider scale, the FinTech Entity may employ an exit strategy or apply for an extension of the Sandbox testing period.

REGULATORY PROVISIONS FOR TECHFIN COMPANIES

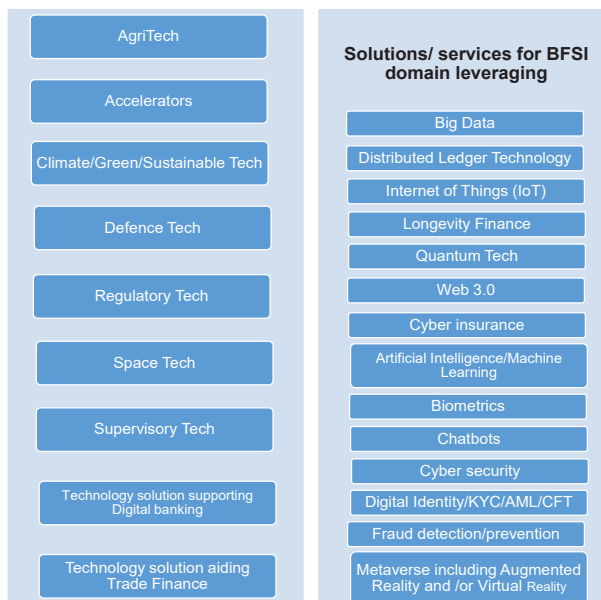
‘TechFin’, involves an advanced or emerging technology solution in allied areas/ activities which aid and assist activities in relation to financial products, financial services and financial institutions.”

The Framework also covers these allied areas/activities which may not directly fall within the definition of traditional financial services but aid and assists activities in relation to financial products, financial services and financial institutions. For eg Climate/Green/Sustainable Technology, Regulatory Technology, Supervisory technology, solutions/ services for BFSI domain leveraging AI/ML, Big Data, Biometrics, Digital Identity, DLT, Quantum technology etc.

The Framework provides for both Sandbox as well as Authorization Route for technology companies (TechFin) willing to provide such allied solutions/services. In case of Authorization the FE needs to fulfil the eligibility criteria which includes having (i) a deployable advanced/innovative technology and, (ii) revenue earning track record amongst others. This would enable them to obtain Direct Entry without entering the Regulatory Sandbox. The illustrative list of the Allied areas/activities are also provided at Annexure -I. The same is given below:

ILLUSTRATIVE LIST OF AREAS/ ACTIVITIES UNDER TECHFIN

The application shall be subject to an evaluation process conducted by the Evaluation Committee. IFSCA may grant Limited Use Authorization or Authorization to the Applicant as a ‘FinTech Entity’, subject to the conditions applicable as per the Framework. In case of Authorization, the Applicant needs to (a) separately incorporate an entity in the IFSC; or (b) establishes a branch or a subsidiary of an Indian or foreign incorporated entity in IFSC.



INTER-OPERABLE REGULATORY SANDBOX (IoRS) WITH IFSCA AS PRINCIPAL REGULATOR

The framework also incorporates the Inter Operable Regulatory Sandbox (IoRS) mechanism. IoRS is a mechanism to facilitate testing of innovative hybrid financial products / services falling within the regulatory ambit of more than one financial sector regulators. IFSCA facilitates foreign FinTech’s seeking entry into India as IFSCA acts as Principal Regulator for all such cases. The Standard Operating Procedure for IoRs was notified in October 2022 by all the Financial Sector Regulators viz RBI, SEBI, IRDAI, IFSCA and PFRDA.

OVERSEAS REGULATORY REFERRAL MECHANISM /FINTECH BRIDGES OF IFSCA

The framework also encourages Overseas Regulatory Referral Mechanism/ FinTech Bridges which is governed as per the provisions of the Memorandum of Understanding (MoU) or special arrangement between IFSCA and the corresponding overseas Financial Sector Regulator(s). This collaborative approach fosters an environment of continuous innovation and knowledge sharing, driving the growth of the FinTech and TechFin ecosystem around the Globe.

CONCLUSION

Together, these fields of FinTech and TechFin are reshaping the financial landscape, making services faster, inexpensive, and more efficient for the Global market players in the field of Finance. IFSCA is promoting these initiatives in financial products and financial services across the spectrum of banking, insurance, securities, and fund management in IFSC to develop GIFT IFSC as a FinTech Hub.

GIFT IFSC is at the forefront of India’s FinTech revolution, driving innovation and setting new standards for financial services. With its robust regulatory framework, business-friendly environment, world-class infrastructure, and focus on collaboration and talent development, GIFT IFSC is well-positioned to become a Global FinTech Hub.

Direct Listing of Indian Companies in GIFT IFSC – Marking the Dawn of a New Era in the Capital Market Landscape

Under the *Viksit Bharat Mission*, the Government of India has set a target to achieve the status of a developed country by 2047. To this end, it is crucial to attract global capital to fund India's growth story that is rapidly gaining traction across the world. In this context, the decision to allow Indian companies including start-ups to list their shares directly on the stock exchanges in GIFT IFSC is a path breaking initiative that can play a significant role in attracting global capital.



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INTRODUCTION

In the last decade, India has witnessed remarkable transformation and has made rapid strides on multiple fronts. With robust policies and innovative reforms coupled with a burgeoning entrepreneurial spirit, India has emerged as the world's fastest-growing large economy and is all set to emerge as a powerhouse on the global economic stage. Under the *Viksit Bharat Mission 2047*, the Government of India has set a goal to achieve the status of a developed and a prosperous country by 2047, the centenary year of its independence. According to a report by Primus Partners titled "*India's turn to lead by 2047*", the target is to achieve a GDP of a whopping \$ 30 trillion by 2047. However, in order to achieve such an ambitious target, it is important to attract global capital to meet the burgeoning needs for economic growth and development of India.

GIFT IFSC aims to emerge as a global hub for a plethora of cross border financial services including banking, capital markets, fund management, insurance etc. It offers best-in-class regulatory and business environment that is benchmarked with global financial centres like Singapore, Hong Kong, London, New York etc.

The growth and development of GIFT IFSC, particularly in the recent years, has been nothing short of spectacular. GIFT IFSC is poised to emerge as one of the fastest

growing IFSCs in the world and is also set to become one of the most preferred gateways for inbound and outbound financial services relating to India.

GIFT IFSC has several unique features that gives it a competitive edge. These include a unified financial regulator, attractive tax regime, availability of state-of-the art infrastructure, access to large hinterland Indian economy, low cost of operations and the availability of skilled talent pool in India.

GIFT IFSC, therefore is well positioned to act as a catalyst to attract global capital that can fuel the growth and development of the Indian economy and has the potential to emerge as a cornerstone in India's strategic roadmap to achieve the *Viksit Bharat Mission 2047*.

DIRECT LISTING SCHEME - A GATEWAY TO ACCESS GLOBAL CAPITAL

A standout feature in the India growth story has been the phenomenal rise of India's thriving and vibrant start-up ecosystem. These start-ups, fuelled by a dynamic pool of talent and innovative ideas, are driving economic growth and employment generation. Sustained and concerted efforts by the Government have led to an exponential increase in the number of Department for Promotion of Industry and Internal Trade (DPIIT) recognised start-ups, which stands at 140,1761 as on June 24, 2024. Further, as per Forbes India², as of May 2024, the Indian Start-up ecosystem, which is ranking third globally with more than 100 unicorns count is collectively valued at approximately \$349.67.

Therefore, with an objective to offer Indian companies, especially the start-ups in the sunrise and technology sectors an alternative avenue to access global capital beyond the domestic exchanges, the Hon'ble Union Minister of Finance and Corporate Affairs of India, on July 28, 2023, had announced the decision of the Government to allow direct listing of Indian Companies on the stock exchanges in GIFT IFSC.

¹ <https://primuspartners.in/docs/documents/yYo8lCuXK7n13xxElnay.pdf>

² <https://www.forbesindia.com/article/explainers/unicorns-india-list/85309/1>

As per the data available on the website of Ministry of External Affairs, there are approximately 35 million Overseas Indians including Non-Resident Indians and Persons of Indian Origin. Given their strong cultural and economic ties with India, they can play a vital role in contributing to the growth and development of the country. Moreover, globalization has led to companies looking beyond their borders to raise cross border capital and simultaneously investors are increasingly being drawn to exploring new investment opportunities and diversifying their portfolios across geographies, particularly in emerging economies such as India.

In this context, the Direct Listing Scheme at GIFT IFSC can act as a conduit to channelize and attract foreign capital into India which can play a pivotal role in funding of Indian companies, particularly the start-ups.

SIGNIFICANCE AND BENEFITS OF THE DIRECT LISTING SCHEME

The Direct Listing Scheme would enhance the ability of Indian companies to access global funds and increase their visibility and brand awareness. Also, this would lead to a more diversified investor base and provide an opportunity for better valuations in line with global standards.

The public Indian companies will have the flexibility to access both markets i.e., domestic market for raising capital in INR and the international market at IFSC for raising capital in foreign currency from the global investors.

This step is also expected to provide an overall boost to the capital market ecosystem at GIFT IFSC as it would provide new investment opportunities for investors, increase the diversification of financial products and enhance liquidity.

IFSCA has put in place a robust, business friendly, globally benchmarked regulatory regime with an objective of promoting ease of doing business. In addition, the transactions on the stock exchanges in IFSC are in foreign currency, thus eliminating the currency risk for the investors. There are several features that promote ease of doing business to the foreign investors such as extended trading hours on the IFSC exchanges (more than 20 hours in a day) catering to investors of all important jurisdictions in the world. There are also various tax incentives provided under the Income Tax Act, 1961, making GIFT IFSC an attractive destination for global investors.

GIFT IFSC is already having a well-developed capital market ecosystem including stock exchanges, clearing corporations, depository, investing bankers, custodians, brokers, etc. Further, there are more than 25 banking units licensed by IFSCA in GIFT IFSC, including several global banks.

Moreover, GIFT IFSC can also act as a funding platform for many start-ups formed by Indian promoters but have set up their headquarters outside of India. Such foreign companies can also consider listing their securities on the stock exchanges in the IFSC. This would be a major

With an objective to offer Indian companies, especially the start-ups in the sunrise and technology sectors an alternative avenue to access global capital beyond the domestic exchanges, the Hon'ble Union Minister of Finance and Corporate Affairs of India, on July 28, 2023, had announced the decision of the Government to allow direct listing of Indian Companies on the stock exchanges in GIFT IFSC.

step in the direction of achieving the goal of “*Onshoring the Offshore*” that GIFT IFSC aspires for, i.e. bringing back those India related financial services and transactions that are currently carried outside of India.

EXISTENCE OF A ROBUST LEGAL AND REGULATORY FRAMEWORK

The Government of India, in coordination with IFSCA and with the support of other financial regulators in India, has created a robust legal and regulatory framework for enabling the implementation and operationalisation of the Direct Listing Scheme. The Government of India had on January 24, 2024, notified the Foreign Exchange Management (Non-debt Instruments) Amendment Rules, 2024 and the Companies (Listing of Equity Shares in Permissible Jurisdictions) Rules, 2024 (“LEAP Rules”) providing the framework for direct listing of equity shares by public Indian companies on the International Exchanges at GIFT IFSC.

The eligibility criteria for a public Indian company to list its equity shares on an international exchange in the IFSC has been provided in the Direct Listing Scheme provided under FEM (NDI) Rules, 2019 and the LEAP Rules. A public Indian company may issue equity shares or offer equity shares of existing shareholders, subject to prohibited activities, and sectoral caps prescribed in paragraph 2 and 3 of Schedule I of the FEM (NDI) Rules, 2019.

Further, equity shares listed in the IFSC shall be in dematerialized form and rank *pari passu* with equity shares listed on a recognised stock exchange in India. The non-resident investors have been permitted to purchase or sell equity shares of Indian companies listed on the stock exchanges in GIFT IFSC. More details in this regard can be accessed from the FAQs³ issued by Central Government on Direct listing.

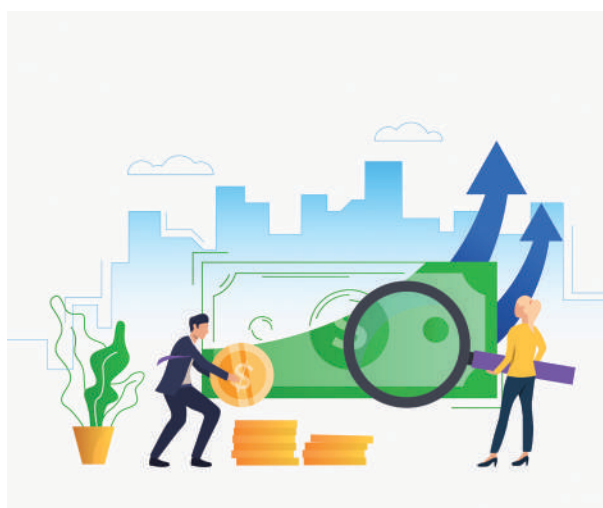
Recently, RBI has also issued the necessary amendments in the Foreign Exchange Management (Foreign Currency Accounts by a person resident in India) Regulations, 2015

³ <https://ifsc.gov.in/Legal/Index/sjuO5ldyNL0=>

and Foreign Exchange Management (Mode of Payment and Reporting of Non-Debt Instruments) Regulations, 2019, thus providing the necessary enablers *inter alia* for maintaining foreign currency account by Indian issuer in the IFSC and remittance of proceeds of the issue from IFSC to India.

IFSCA has constituted a Standing Committee on Primary Markets (chaired by Shri Mohandas Pai) to advise IFSCA on the various policy and regulatory matters on a periodic basis to facilitate the development of a vibrant and robust ecosystem for primary markets in the IFSC.

IFSCA issued a consultation paper on the proposed IFSCA (Listing) Regulations, 2024 (“Listing Regulations”) with the objective to promote ease of doing business and benchmarking with the global best practices. The key features of the proposed new Listing Regulations are as follows:




Eligibility criteria for IPOs	<p>(a) The issuer has an operating revenue, based on consolidated audited accounts, of at least USD twenty million in the last financial year or averaged over the last three financial years; or</p> <p>(b) The issuer has a pre-tax profit, based on consolidated audited accounts, of at least USD one million in the last financial year or averaged over the last three financial years; or</p> <p>(c) The issuer has a post issue market capitalization of at least USD twenty-five million.</p>
Filing of Offer Document	Issuers with proposed issue size of USD 50 million or more shall be required to file offer document with the IFSCA for seeking observations.
Offer Timing	12 months from the date of issuance of observation letter by IFSCA.
Minimum Public Offer	Minimum public offer shall not be less than 10% of the post issue paid-up capital of the issuer or USD 50 million whichever is lower.
Disclosures in Offer Document	All material disclosures which are true, correct and adequate to enable the investors to take an informed investment decision. The list of mandatory disclosures has been provided in the regulations.
Accounting Standards	US GAAP, IFRS or Ind AS. In case of any other accounting standards, it shall be reconciled with IFRS.
Pricing	Fixed Price or Book-building. Subject to compliance with pricing requirements prescribed in Direct Listing Scheme.
Underwriting	A public issue of specified securities may be underwritten. Adequate disclosures regarding underwriting arrangements shall be disclosed in the offer document.
Anchor Investor	Issuer may offer a portion of the issue size for subscription by anchor investors, subject to disclosures made in the offer document.
Lockup	All pre-issue shareholding of promoters and controlling shareholders of the issuer shall be locked up for a period of 180 days from the date of allotment in the initial public offer.

The new Regulations are expected to be notified in July 2024.

CONCLUSION

To sum up, the Direct Listing Scheme at GIFT IFSC can play a pivotal in transforming and fast-tracking the growth and development of Indian companies and start-ups looking to attract global capital. Since massive amount of global capital is necessary to fuel India's growth trajectory in the coming decades, the Direct Listing Scheme at GIFT IFSC has the potential to play an instrumental role in attracting untapped foreign capital into India.

Moreover, in light of the unique benefits and advantages that GIFT IFSC offers, the Indian financial landscape is poised for a transformative shift with the advent of direct listing of Indian companies in GIFT IFSC. This development not only represents a strategic milestone for India's capital markets but also signals the country's growing ambition to integrate more deeply into the global financial system. The Direct Listing Scheme at GIFT IFSC has the potential to become a game changing moment that could well turn out to be a point of inflection in the history of capital markets. It is an idea whose time has come and is also a momentous measure that marks the dawn of a new era in the capital market landscape in India. 

IFSCA (Payment Services) Regulations, 2024- An Overview

IFSCA has attempted to benchmark the regulatory regime in line with that in the international regulations governing payment services in jurisdictions like those in Singapore, United Kingdom and European Union. The regulations although is principle-based, has tried to cover all aspects relating to the efficient functioning of the payment services operations, safeguarding of the customers and applicable funds, governance of the PSP etc.



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INTRODUCTION

With a view to develop GIFT - IFSC as a preferred jurisdiction for payment services ecosystem, IFSCA notified the IFSCA (Payment Services) Regulations in January, 2024. These regulations have been benchmarked to international regulations governing payment services in jurisdictions like those in Singapore, United Kingdom and European Union. The regulations lay down the framework for entities providing the following payment services to seek authorisation from IFSCA:

- a) Account issuance service (including e-money account issuance service)
- b) E-money issuance service
- c) Escrow service
- d) Cross border money transfer service
- e) Merchant acquisition

KEY HIGHLIGHTS

- The Payment Service Provider (PSP) shall be a company with its registered office in IFSC. A single authorisation shall enable the PSP to provide any of the 5 enabled services.
- Basis the volume of transactions enabled, the PSP may be designated by the IFSCA as Regular Payment Service Provider (RPSP) or Significant Payment Service Provider (SPSP).

- The net-worth criteria and threshold criteria is different for both RPSP and SPSP.
- Authorisation shall be issued to the PSP in the form of grant of Certificate of Authorisation, which shall be valid unless revoked by the Authority or surrendered by the Payment Service Provider.
- A Financial institution, set up as a company and authorised by the Authority under applicable regulatory framework, may also seek authorisation to act as a Payment Service Provider under these regulations.

DEFINITION(S) OF THE ENABLED PAYMENT SERVICES AND PERMISSIBLE ACTIVITIES THEREIN

- i. **Account issuance service (including e-money account issuance service):** Issuance of a payment account to a payment service user, irrespective of whether such user is situated in IFSC or outside IFSC. The PSPs providing account issuance services shall also provide services to enable payments to be made into the payment account as well as to allow users to make withdrawals from payment accounts. A PSP is also allowed to issue both, physical or electronic form. Any e-wallet issued by a PSP cannot hold Indian Rupee (INR) in any form. It can only hold currencies such as United States Dollar (USD), Euro (EUR), Great Britain Pound (GBP) and any other currencies specified by the IFSCA. E-wallets issued by a PSP are also prohibited from storing any cryptocurrencies or stablecoins.
- ii. **E-money issuance service:** For the purpose of these regulations, e-money refers to a monetary value denominated in a specified foreign currency, representing a claim that has been already paid in advance and is acceptable by a person other than the issuer. PSPs providing e-money issuance service are not permitted to use the funds for financing services or permit withdrawal of cash equivalent to e-money.
- iii. **Escrow services:** Arrangements wherein funds are held by a PSP in an escrow account with an IFSC

Banking Unit (“IBU”) or an IFSC Banking Company (“IBC”) on behalf of two parties that are in the process of completing a transaction. Any PSP providing escrow services to other PSPs may hold escrow accounts with multiple banks for providing such services to the PSPs.

- iv. **Cross border money transfer service:** Refers to the transmission of money from a person in IFSC to anyone outside IFSC and receiving money from any person outside IFSC for transferring such money to a person situated in or outside IFSC. Additionally, this service also includes transfer of money from a person in the IFSC to a person in any other country including India.
- v. **Merchant acquisition services:** Similar to the payment aggregation services to merchants in India. Allows the merchant to facilitate different modes of payments from their customers. However, payment gateway services have been excluded from the scope of these services.

PROCESS FOR AUTHORISATION

- i. In the first stage, the parent company/person may make an application to the Authority on behalf of the proposed PSP company. The Authority while assessing the application shall look into such relevant criteria(s) as it may deem fit like Fit and Proper of the applicant, past experience of the applicant or it's relevant persons in the payment's domain, financial soundness etc. before the grant of authorisation.
- ii. IFSCA after being satisfied that the applicant has fulfilled the necessary conditions (as mentioned in the Regulations) for authorisation may issue an “in-principle approval” to the applicant. IFSCA while issuing the “in-principle approval” may impose some additional requirements/conditions that shall be fulfilled by the applicant before the grant of final authorisation.
- iii. One of the conditions in the in-principle approval letter shall be that the applicant needs to form a company incorporated in IFSC and put in the necessary capital as a part of the net-worth requirements. If the parent company is a person resident in India, it is advised to consider the provisions of FEMA including those relating to opening of foreign subsidiaries, transmission of capital from the resident company to the non-resident subsidiary etc.
- iv. The PSP shall submit the application stating its fulfilment of the necessary conditions as mentioned in the “in-principle approval” letter, post-which the Authority may grant authorisation to PSP to carry-out the payment services. Issuance of “in-principle approval” by the Authority shall not automatically entitle the Applicant to be granted an authorisation.

The regulations proposes the minimum aspects relating to the Governance arrangements that shall be placed by the PSP in relation to its operations of conducting the payment services. The PSP(s) are encouraged to put in place some additional safeguards in addition to the minimum requirements as mentioned in the regulations.

NET-WORTH REQUIREMENTS

Every PSP needs to satisfy the net-worth requirements on ongoing basis. Net-worth requirement for RPSP is USD 100,000 and it is on higher side for the SPSP at USD 250,000. The RPSP and SPSP needs to achieve an increased net-worth of USD 200,000 and USD 500,000 respectively, within three years of designation as RPSP or SPSP.

GOVERNANCE AND RISK MANAGEMENT

The regulations proposes the minimum aspects relating to the Governance arrangements that shall be placed by the PSP in relation to its operations of conducting the payment services. The PSP(s) are encouraged to put in place some additional safeguards in addition to the minimum requirements as mentioned in the regulations.

The regulations also provide for the aspects that the PSP shall look into while entering into third-party service relationships and for the purpose of risk management arising out of such relationships.

Duties of the PSP in relation to the payment services users or IFSCA and in relation to the overall operations have been obligated under these regulations. These includes duty to protect Applicable Funds, duty of co-operation with the Authority, duty towards Payment Service Users, duty to secure the information technology systems and other infrastructure, Redressal of grievances and dispute resolution.

SAFEGUARDING ARRANGEMENTS

For the purpose of carrying out the payment services operations, the PSP needs to appoint a Nodal Bank. The PSP shall maintain an escrow account (different escrow accounts for different services) with the Nodal bank for provision of services to the payment service users.

The regulations also empower the Authority to require a PSP to maintain security deposit of a specified amount either at the time of authorisation or at any time thereafter.



Where a PSP surrenders the authorisation granted to it or the authorisation granted to it has been revoked by the Authority, the Authority may apply the security deposit, to the extent required, to pay any sums outstanding and claimed by payment service users who are customers of the concerned PSP.

A PSP authorised under the IFSCA (Payment Services) Regulations would be a regulated entity and hence need to comply with the requirements of the IFSCA (Anti Money Laundering, Counter-Terrorist Financing and Know Your Customer) Guidelines, 2022.

CONCLUSION

IFSCA has attempted to benchmark the regulatory regime in line with that in the international regulations governing payment services in jurisdictions like those in Singapore, United Kingdom and European Union. The regulations although is principle-based, has tried to cover all aspects relating to the efficient functioning of the payment services operations, safeguarding of the customers and applicable funds, governance of the PSP etc.

The regulations would also permit Indian fintech entities looking to offer their products globally to develop IFSC as their base from which to expand their offerings to jurisdictions across the world. The regulations would also support the process of “reverse-flipping” as many of the Indian fintechs having holding companies in foreign jurisdictions are engaged in providing on or more of the payment services enabled by the regulations.

In conclusion, the IFSC Payment Regulations establish a new benchmark for regulatory governance, requiring

robust risk management frameworks tailored to the digital realm.

RECENT DEVELOPMENTS IN THE PAYMENT DOMAIN

1. In exercise of its power under the Payments and Settlement Systems Act, 2007 (“PSS Act”), IFSCA has recently released Consultation paper on the IFSCA (Payment and Settlement Systems) Regulations, 2024 for regulating and authorising the payment systems in IFSC.
2. IFSCA is in the process of setting up a real-time foreign currency settlement system (FCSS), wherein the financial institutions in IFSC shall be able to settle their transactions denominated in foreign currency. Once fully operational, the FCSS system will save IFSC Banking Units (IBUs) both the time and cost of using the correspondent banking channel to settle transactions among themselves. For this purpose, the Clearing Corporation of India (CCIL) has set up a subsidiary in IFSC to act as the system operator for the FCSS. They are in discussions with Indian Financial Technology and Allied Services (IFTAS) to provide the software solution for the FCSS. A settlement bank having direct membership of the RTGS (Real-Time Gross Settlement) system in the US is also being identified.

Note: The above essay is based on the author’s understanding of the IFSCA (Payment Services) Regulations, 2024 and knowledge regarding the current happenings in the payment’s space. The views expressed by the author is personal and do not represent the views of the IFSCA.

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Relocation of Funds to GIFT IFSC

A prime objective behind the setting up of this offshore jurisdiction on the Indian soil is to onshore the offshore international financial services and act as a gateway for global capital flows into and out of the country. And one critical area reflecting this intent coming into reality has been the relocation of existing investment funds from prominent jurisdictions to GIFT IFSC.



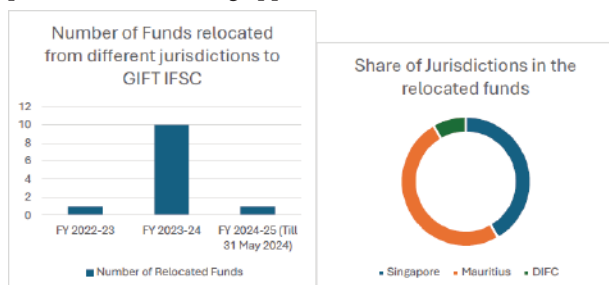
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INTRODUCTION

The fund regime has been one of the sweet spots in the growth of business at GIFT IFSC. In the recent months, several global and Indian investment managers have moved their financial operations from foreign jurisdictions by setting up units at GIFT IFSC. As on 31 May 2024, 124 Fund Management Entities (FMEs) (Investment Managers) and 137 Alternate Investment Funds (AIFs) have been set up at GIFT IFSC with a targeted corpus of ~USD 37 billion.

A prime objective behind the setting up of this offshore jurisdiction on the Indian soil is to onshore the offshore international financial services and act as a gateway for global capital flows into and out of the country. And one critical area reflecting this intent coming into reality has been the relocation of existing investment funds from prominent jurisdictions to GIFT IFSC. As on 31 May 2024, 12 funds have relocated from various jurisdictions to GIFT IFSC with a targeted commitment of ~ USD 5 billion. It may be noted that most of these funds have been relocated in recent months and exhibit a certain inflexion point in the incoming applications for fund relocation.



This upward trend in the applications has not been sudden but the result of committed actions by various stakeholders over the past years.

The most significant of them have been the budget facilitations that have demonstrated the government's commitment towards a vibrant regime at GIFT IFSC. The Finance Act, 2021, amended several provisions of the Income-tax Act, 1961, to facilitate the relocation of offshore funds to GIFT IFSC in a tax-neutral manner. The provisions prevent adverse tax consequences for the original fund¹ and its investors due to the fund's relocation to the IFSC.

Additionally, SEBI through the release of circular ("**2021 Circular**") dated June 01, 2021, allowed a one-time off-market transfer of securities by a Foreign Portfolio Investor to the IFSC. The Circular opened a critical doorway allowing relocation of foreign funds (set-up as FPIs) to set up Category-III AIFs in GIFT IFSC.

In the earlier regime for funds at GIFT IFSC, AIFs were being set up under SEBI (International Financial Services Centres) Guidelines, 2015 ("IFSC Guidelines") and the operating guidelines dated November 26, 2018. Consequently, the IFSCA (Fund Management) Regulations, 2022, came into effect on May 19, 2022, providing a comprehensive regime with provisions for relocation of funds to GIFT IFSC.

Further, IFSCA vide Circular No. 81/IFSCA/AIFs/2020-21/03 dated 25 June 2021, provided that the continuing interest requirement by the Manager or Sponsor in the AIF provided under² the operating guidelines for AIFs in IFSC dated November 26, 2018, shall be voluntary. The circular also provided that an AIF in IFSC is permitted to invest in units of schemes launched by mutual fund regulated in a FATF compliant jurisdiction (including India).

A typical structure adopted by the fund managers for relocation of the funds can be demonstrated through the following:

ABC Pte. Ltd. ('Original Fund') is a private limited company, incorporated in Singapore, which proposes to relocate its assets to GIFT IFSC. The Original Fund is registered as a Foreign Portfolio Investor ('FPI') in accordance with SEBI (Foreign Portfolio Investors) Regulations, 2019 ('FPI Regulations') and has invested in units of Indian AIFs registered with SEBI and in securities of portfolio companies. The route it shall take towards the same with respect to IFSCA can be simplified as follows:

¹ The Income Tax Act, 1961 defines the term 'original fund', 'relocation' and 'resultant fund'

² para 8 of the Annexure to the operating guidelines for AIFs in IFSC dated November 26, 2018



1. Step 1- Registration of the Investment Manager as a Fund Management Entity (FME) with IFSCA under IFSCA (Fund Management) Regulations, 2022.
2. Step 2- Post registration, the FME may file its scheme/ Fund Documents in line with circular F. No. IFSCA-AIF/32/2024-Capital Markets dated April 05, 2024, with IFSCA.

Post step 1 and step 2, the Offshore Fund shall transfer its existing asset units held in 'India Fund' to the 'Resultant Fund' in IFSC. The Resultant Fund will issue units to Investors of the Offshore Fund as a consideration towards the transfer.

There is a strong rationale for funds abroad to relocate through the route as demonstrated above. It provides a number of advantages and benefits to both the investors and the investment managers. Some of them are entailed as follows:

1. Benefit of tax neutral transition for funds relocating to GIFT IFSC on/before 31 March 2025. Relocation of such offshore funds to an IFSC based fund is tax neutral for offshore fund, IFSC based fund and its investors.
2. Exemption to FME contribution (also understood as Continuing Interest of the Sponsor/ Sponsor Commitment) under the proviso of Regulation 28(1), Regulation 40(1) and Regulation 52(1) for Venture Capital Schemes, Non- Retail Schemes and Retail Schemes, respectively.
3. Tax Holiday- 100% tax exemption on business income for 10 consecutive years out of 15 years and exemption from levy of GST for entities in IFSC.
4. There are no capital gains taxes for investing in units set at up at GIFT City, similar to Singapore or Dubai.
5. Relaxation in the requirement of obtaining a Permanent Account Number (PAN) for Non- Resident investors.
6. The cost of setting up a business, running operations, real estate, is significantly lower than other foreign jurisdictions and provides better administrative control to the investment managers.
7. The relocation ensures consolidation of the tax pool under Indian regulatory and tax regime.
8. Faster application turnaround with an endeavor of the regulator to remain proactive to the needs of the industry and provide a stable regulatory regime.
9. The familiarity of operating business on the Indian soil greases the wheels of operations, contributing further to cost efficiency and ease of doing business.
10. Proximity to the Indian Markets

CONCLUSION

The above benefits and advantages leave lesser rationale for investment managers to manage funds from far away jurisdictions, even so when the funds are inbound into Indian domestic markets as FPI and FDI. Thus, Indian-based and India-centric GPs (Investment Managers) should consider relocating their offshore funds to GIFT IFSC.

GIFT IFSC today provides parity with global jurisdictions. The structured efforts aim to create fertile ground for the movement of offshore financial services to Onshore GIFT IFSC. The relocation of the offshore funds is one area of growth to watch out for in this space of Funds @ GIFT IFSC.



There is a strong rationale for funds abroad to relocate through the route as demonstrated above. It provides a number of advantages and benefits to both the investors and the investment managers.

Opening of a New Era for Qualified Jewellers - India International Bullion Exchange

Fuelled by its impressive growth trajectory, India is poised to shake up the global economic landscape. International Monetary Fund (IMF) predictions suggest India will become the world's fourth-largest economy by 2025, overtaking Japan. And within two more years, it's expected to surpass Germany and claim the number three spot. Even as global growth stumbles, India stands out as a beacon of hope. Fueled by a young and dynamic population, a booming tech sector, and increasing investment in infrastructure, all parts of the Indian economy are primed to contribute to its remarkable rise. This surge positions India to become a major player in the coming years, reshaping the global economic order.



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INTRODUCTION

Fueled by its impressive growth trajectory, India is poised to shake up the global economic landscape. International Monetary Fund (IMF) predictions suggest India will become the world's fourth-largest economy by 2025, overtaking Japan. And within two more years, it's expected to surpass Germany and claim the number three spot. Even as global growth stumbles, India stands out as a beacon of hope. Fueled by a young and dynamic population, a booming tech sector, and increasing investment in infrastructure, all parts of the Indian economy are primed to contribute to its remarkable rise. This surge positions India to become a major player in the coming years, reshaping the global economic order.

GIFT-IFSC

Established in April 2015, GIFT City's International Financial Services Centre (IFSC) aspires to become the central hub for India's international financial activities. Envisioned by the Prime Minister, GIFT IFSC offers a world-class infrastructure and a competitive tax regime established by the Union Budget 2016.

INTERNATIONAL FINANCIAL SERVICES CENTRES AUTHORITY – IFSCA

Established on April 27, 2020, under a dedicated act passed in 2019, the International Financial Services

Centres Authority (IFSCA) marks a significant step towards India's ambition of becoming a global financial powerhouse. Headquartered in the burgeoning Gujarat International Finance Tec-City (GIFT City), the IFSCA plays a multifaceted role:

The IFSCA acts as a unified regulator for all financial products, services, and institutions operating within the IFSC framework. This streamlined approach eliminates the need to navigate multiple regulatory bodies, fostering ease of doing business for domestic and foreign entities.

The IFSCA's vision extends beyond India's borders. It aims to position GIFT City as a world-class financial hub, attracting international investment and facilitating seamless integration of the Indian financial sector with the global financial landscape.

ROLE OF GOLD IN INDIA

Gold is also an important part of our economy. The gold industry's size is estimated at around 6.5 lakh crore (\$90 billion). It provides employment to over 6 million people and contributes to around 15% of merchandise export from India. Being a gold centric country, the industry has been growing at over 15% CAGR for the last 5 decades. India accounts for 17-18% of global consumption of gold (Based on Gold Focus Report 2024: <https://www.metalsfocus.com/product/gold-focus/>). It is estimated that India may have 25,000 tonnes of above ground stock, which may be held by individuals and households. This is more than what central banks of the USA, Europe, China and Japan together hold (which may be around 20,000 tonnes).

In India when one refers to gold, it may not be limited to referring gold as a commodity or even a precious metal. In India gold means many things. For the people and society at large, gold is closely associated with their customs, rituals, cultures, traditions and financial security. In short, gold is an important part of the way of life of every ordinary Indian. At the same time, there has been a shift in the customer preference for gold from just being a consumption product having ornamental value, to being an investment product with Sovereign gold Bonds

IIBX was launched by the Honourable Prime Minister of India, Shri Narendra Modi on 29th of July 2022 in GIFT-IFSC. As of June 27, 2024, more than 16 tonnes of gold have been imported through IIBX. IIBX has also been instrumental in facilitating silver imports under the India-UAE CEPA. The India International Bullion Exchange (IIBX) is poised to play an important role to develop a transparent and efficient market for gold trading, ensuring responsible sourcing and guaranteed quality. This will also boost gold-based financial instruments in India. This is a significant step towards financialization of gold.

leading the way as a key investment product in gold. Retail investors are also adding gold to their portfolio of investment through Gold ETFs and also through certain digital offerings.

INDIA INTERNATIONAL BULLION EXCHANGE IFSC LIMITED – IIBX

In this context, IIBX was launched by the Honourable Prime Minister of India, Shri Narendra Modi on 29th of July 2022 in GIFT-IFSC. As of June 27, 2024, more than 16 tonnes of gold have been imported through IIBX. IIBX has also been instrumental in facilitating silver imports under the India-UAE CEPA. The India International Bullion Exchange (IIBX) is poised to play an important role to develop a transparent and efficient market for gold trading, ensuring responsible sourcing and guaranteed quality. This will also boost gold-based financial instruments in India. This is a significant step towards financialization of gold.

High purity gold and silver in the form of bars, ingots, or coins are known as bullion. These precious metals hold value as reserves for central banks and institutional investors. Bullion may even function as legal tender in some cases.

A unified and transparent trading platform for bullion has been created by the IIBX exchange. This ensures fair pricing, guaranteed gold quality, and better connects the bullion market to other financial sectors.

IIBX has bolstered the trade partnership between India and UAE under the India-UAE CEPA by operationalizing the imports of gold under the CEPA through IIBX. Once IIBX expands its vaulting infrastructure at other SEZs, apart from GIFT-IFSC, it is expected that a significant volume of gold may be routed for spot trading through IIBX in the coming months. Ultimately, this may position India as a leading global gold trading hub.

IMPORT OF GOLD BY QUALIFIED JEWELLERS AND FINANCIALIZATION OF GOLD ECONOMY

The Directorate General of Foreign Trade (DGFT), Ministry of Commerce and Industry vide its Notification No. 49/2015-2020 dated January 05, 2022, has inter alia specified that Qualified Jewellers as notified by the International Financial Services Centres Authority (IFSCA) will be permitted to import ITC(HS) Codes gold under 71081200 and 71189000, through India International Bullion Exchange IFSC Ltd. (IIBX).

Prior to this notification, import of gold was allowed only through nominated agencies as notified by Reserve Bank of India (RBI) (for banks) and DGFT (for other agencies). IFSCA vide circular dated December 13, 2023, on "Import of gold and silver by Qualified Jewellers through India International Bullion Exchange" has listed out various conditions which is required for an entity to be notified as qualified jewellers by IFSCA.

Some of the conditions for the entity to be notified as qualified jewellers by IFSCA as mentioned in the circular are listed here:

- a) The entity shall be engaged in the business of goods falling under ITS(HS) codes 7106, 7108, 7113, 7114 and 7118 under Chapter 71 of ITC(HS).
- b) The entity must have filed due GST returns up to the preceding month prior to making an application to the IIBX. Further, a certificate should be submitted by the entity, duly attested by a practicing-chartered accountant or a practicing cost accountant or a practicing company secretary, stating that 90% of the average annual turnover in the last 3 financial years are through dealing in goods under precious metals; and
- c) The entity shall have a **minimum net worth of INR 25 crore** as per its latest audited financial statement.

The detailed circular may be found out on the website of IFSCA (<https://ifsc.gov.in/Pages/Contents/Metals-and-Commodities>).

All of the enabling Government of India Circulars/ Notifications/Public Notices, IFSCA Circulars, RBI Circulars among others can be found on the abovementioned website.

Till date, 129 Qualified jewellers have been notified by IFSCA.

The import of gold and silver has picked up in recent years through IIBX. As of June 27, 2024, more than 16 tonnes of gold have been imported through IIBX. IIBX has also been instrumental in facilitating silver imports under the India-UAE CEPA.

This enablement of Qualified Jewellers to import gold through IIBX has played an important role in the financialization of gold economy. IIBX is in the advanced

stage of launching future products in Gold. RBI circular dated December 12, 2022, permits resident entities to hedge gold price risks on exchanges in the International Financial Services Centre (IFSC) recognized by the IFSCA.

Reserve Bank of India (RBI) had also issued the Statement on Developmental and Regulatory Policies as part of the Monetary Policy Statement on February 8, 2024, wherein, it has been mentioned that RBI has now decided to also allow them to hedge the price of gold in the over the counter (OTC) segment in the IFSC. RBI, on April 15, 2024, has granted resident entities, who are exposed to gold price, to hedge their gold price risk on IIBX and India International Exchange (India INX) in GIFT-IFSC.

RBI has also issued an important circular on February 9, 2024, which enables the participation of Indian Banks in IIBX. GIFT-IFSC hosts 16 Indian bank branches and 11 foreign bank branches. Many of these are evaluating participation in hedging/trading in over the counter (OTC) and on exchange on IIBX.

WAY FORWARD

Apart from these significant steps, there are various programs and policies that are in the pipeline of IFSCA to be taken up this year, and significant consultations with the government have taken place. Some of the initiatives planned are:

- Operationalizing the IFSC vaulting centres at other locations within Special Economic Zones or Free Trade Warehousing Zones across India.
- Enable the digital gold products on IIBX
- To work on good delivery guidelines and audit norms to enable the internationalization of India made gold bars

CONCLUSION

These initiatives within GIFT-IFSC are a powerful engine propelling India towards becoming a dominant force in the global precious metals market. This transformation may help India to become a developed nation by 2047.

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- <https://www.livemint.com/news/india/indias-first-international-bullion-exchange-iibx-what-it-is-how-it-works-explained-11658982313295.html>
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- [IIBX import data: https://www.iibx.co.in/markets/marketsummary.aspx](https://www.iibx.co.in/markets/marketsummary.aspx)

Notifications:

- <https://content.dgft.gov.in/Website/dgftprod/8ce5d1a5-c960-4ee8-805f-4f70676a4dd4/Notification%2049%20dt%2005-01-22%20Eng.pdf>
- <https://ifsc.gov.in/Pages/Contents/Metals-and-Commodities>
- <https://ifsc.gov.in/Directory/index/%20BeofL9D7gY=>
- https://rbidocs.rbi.org.in/rdocs/Notification/DFs/HEDGINGPRICE70DC397D54B641B0971E90A17_EB4B97F.PDF
- <https://rbidocs.rbi.org.in/rdocs/PressRelease/PDFs/PR182784C4BC09ABE84116A86B3155DB424ADF.PDF>
- <https://rbidocs.rbi.org.in/rdocs/Notification/PDFs/RTICIPATIONINDIANBANKSIIBX7A2F78D93E9C4DD5B344C2F3D19569A2.PDF>
- <https://rbidocs.rbi.org.in/rdocs/Notification/PDFs/NT1758544AEC7D474BA4BD84ED73ED91A11A.PDF>

Banks in GIFT IFSC:

- <https://www.giftgujarat.in/business/ifsc?tab=Licensed%20Entities>

Significance of IFSC & its Role

The policy of EPZ Kandala Port was created by Govt. of India for promotion of Export, as measure to facilitate and sensitize the exporters to improve the export, by giving incentives and subsidies. There was hardly any systematically developed Port on Indian Seashore which could give the specified services to exporter of goods. Therefore, Kandala Port was specified marked territory within the border of India, to boost the export activities. A separate Authority was appointed to administer, control and regulate the functioning of the Kandala Port.



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INTRODUCTION

INTERNATIONAL FINANCIAL SERVICE CENTRE (IFSC)

It is a grandchild of EPZ 1965 and a child of Special Economic Zone (SEZ) 2005. The policy of EPZ Kandala Port was created by Govt. of India for promotion of Export, as measure to facilitate and sensitize the exporters to improve the export, by giving incentives and subsidies. There was hardly any systematically developed Port on Indian Seashore which could give the specified services to exporter of goods. Therefore, Kandala Port was specified marked territory within the border of India, to boost the export activities. A separate Authority was appointed to administer, control and regulate the functioning of the Kandala Port.

When the Indian Govt. relaxed its policy of Socialistic Economy to partially Private economy, it became necessary that the economic growth with industrial activity process should spread not only to a few places, solely handled by Government, but must spread over to all states of the country. First priority was to select those areas where resources were available by Nature. For example, where the land was suitable for growing of Cotton, that area was earmarked for textile industry. The other considerations were the availability of man power and willing and potential entrepreneurs. This was the time when Govt. had permitted foreign investment in India. As per the norms of Liberal Policy of 1990.

The Govt. started the search of some lands in the various states, which were barren or not of much utility as agricultural land. In the area close by cotton growing in West Bengal, declared that land SEZ for Textile industry. By this policy, the cost of development was reduced. The Govt. allotted land at notional price, made infrastructure needed for that specific industry, gave subsidy and concessions by way of sales tax, income tax and property tax for few years, to lure the people to come forward. Government made various types of cooperatives to pool the resources. In the same pattern, many SEZ were allocated land in India, spread over many states. It is learnt that as on date there are 280 SEZ functioning in India.

This implies that each SEZ was marked for specific type of industries. These SEZ became the hub of development, trade and business, and housing for the labour.

This means that creating any SEZ would give fillip to economic growth by way of increasing the employment, creating of opportunities of education and gaining of skills. These SEZ increase the demand of services - banking, insurance, leasing, transportation, professional, and marketing and many more.

The area where any SEZ is created with any name, that becomes the focus or hub of futuristic township or epitome of Economic Growth. In this context, it would not be surprise to say that IFSC, Gift city, which is the subject of this article is aimed at accelerating the economic growth and giving wings to the financial sector of India. It would become one point hub of all people of world, who would like to make investment in India, establish their enterprise, collaborate with any other financial company or enter into financial contract with any Indian entity, of any financial nature.

EMPOWERMENT OF AUTHORITY

The Authority will regulate financial products such as securities, deposits or contracts of insurance which have already been approved by any appropriate Authority or regulator such as RBI, IREDA, SEBI etc.

It may recommend to Central Government any other financial product, financial service, or financial institution to be included in IFSC and if approved may be notified by the Central Govt.



The banks domestic and international, capital markets and insurance sector companies or entities which are already in IFSC, Gift City, Gandhinagar, though currently are being regulated by multiple regulators - the RBI, SEBI and IRDAI will be unified under IFSC Authority.

The single window regulatory Authority would accelerate the development of India's first IFSC at Gift City Gandhinagar.

Both national and international institutions dealing with international financial services would utilise this platform for inbound and outbound investments with improved ease of doing business, thereby making Gift IFSC a global financial hub.

It will also provide Indian corporates with easier access to global financial markets and to promote further development of financial business in India.

Primarily the dynamic nature of business in the IFSC requires a high degree of inter regulatory coordination within the financial sector. It is established as a unified regulator with a holistic vision in order to promote ease of doing business in IFSC and provide world class regulatory environment, The main objective is to develop a strong global connect and focus on the needs of the Indian economy as well as an international platform for the entire world.

The function of this Authority would be to promote and develop:

Alternative investment fund, Ancillary service providers, Banks, Brokers/dealers, Bullion trading, Clearing corporation, Clearing members custodian, Debenture trustees, Depositories, Depository participants, Finance companies, Fund management entities, Fintech entities, Global administrative office Global in-house centre Insurance, insurance and reinsurance companies, investment advisers, Investment bankers, portfolio managers, Qualified jeweller, Registered Distributors,

Stock exchanges valid India, UAE, CEPA, TRQ holders, Vault managers and other numerous financial entrepreneurs.

The constituted Authority shall function as recommendatory Authority or an Executive Authority for admitting new centres and new facilities and to take action to execute the approved schemes. This Authority shall assess the further demand of infrastructural services, ancillary services, housing, markets, hotels, entertainment facilities etc., which would be required for growth and sustainability of Gift City, IFSC.

GIFT CITY IFSC

IFSC, is going to be a part of IFSC Gift City of Gandhinagar (which stands for Gujrat, International, Financial and Technology based SEZ). This Gift city has already 23 multinational banks, including HSBC, JP Morgan, Barclay. This city has about 35 Fin tech entities. This has two international stock exchanges, Bullion Exchange with 75 on board jewellers.

This city has already two international universities in place. One Australian Deakin university has 4.13 lacs students on rolls. These students will get a globally recognised degree without travelling to different countries. These will infuse dynamicism in Indian education and international collaboration and creating of capacity building in Indian education system .

In view of this already growing progressive city, the coming of another IFSC centre will make a remarkable difference in the business growth of domestic and foreign, financial services, comprising of banking, insurance, leasing, finance, and professionals, and many more. More and more, new financial service companies will get listed in stock exchange of Gandhinagar. This place shall win over the financial exchanges of New York, London, Singapore and Dubai. New IPO's shall be launched from the Gift City Stock Exchange in July 24. Thus, this Stock

Primarily the dynamic nature of business in the IFSC requires a high degree of inter regulatory coordination within the financial sector. It is established as a unified regulator with a holistic vision in order to promote ease of doing business in IFSC and provide world class regulatory environment. The main objective is to develop a strong global connect and focus on the needs of the Indian economy as well as an international platform for the entire world.

Exchange shall be on the map of International Stock Exchanges and Bullion Market.

This city already houses, some of top most companies of Accounts, Audit and Taxation. These companies have well versed and expert staff, to look after the business laws of India and foreign countries, taxation, accounting practices and financial consultancy. They know how the transactions and disputes of various kinds and nature are to be resolved. As envisaged, if another centre of IFSC is developed, then that would further strengthen the network of professionals and the financial activities.

WHY A SEPARATE IFSC SERVICES?

We are well aware of the concept of having Anaj Mandi, Subji Mandi, Sarafa bazar, in the city like Delhi. All the buyers and sellers of any kind of interest will visit that Mandi, instead of roaming here and there, and wasting the time. If the dealers are disbursed at different places then their rates will be different and no one will be able to judge whether the rate is fair or not. On the contrary if many dealers are at a small fixed area, there will be competition and so prices will be fair and the quality would be better.

With this intention of creating facility of easy doing business, the concept of creating Hubs for different goods and services has become popular and useful for buyers and sellers.

In the past, Bombay was called the financial hub of India. It housed all the international bankers, financiers, industrialists, audit firms, import and export markets, and what more. Whereas, in current situation, Bombay has become so congested that it cannot allocate big land area for exclusive use as a big financial and technological hub. Therefore, the Government created the new township of Gandhinagar, Gujarat as the appropriate place to establish financial and technological hub. This city has been made a Green Smart City free from pollution and is very much impressive for doing business and residing with comforts.

Currently, the world has squeezed and the world looks like a city. The whole business has become global. On one side, all the products produced by the manufactured are demanded everywhere. The entities, domestic and foreign have shown their presence in many cities of India. The shares of those product producing companies are traded on the stock exchanges of India. Most of the companies are listed. Many companies of India are listed on foreign exchanges and likewise the shares of some popular foreign companies are listed in India. Globalization has revealed that markets are not limited by geographical boundaries. The sky is the only limit on the head.

Keeping this situation in mind, the idea of creating a hub of non-financial services is not to be lightly taken, as constituent of economic growth. This implies IFSC will become the epitome of all round growth of futuristic India.

Business and Technology have become common output and input of all nations. These have no specified market so far. The creation of IFSC at Gandhi Nagar is a noble idea. These have great potential for boosting the economic growth and fulfilling the objective of creating environment of friendship and doing fast business transactions. Doing away with red tapism practice and giving one window clearances would not be a surprise in IFSC, Gift City.

HISTORICAL AND HOLISTIC PERSPECTIVE

The advancement of technologies and shrinking of boundaries of countries have made all countries close to each other. The trade activities which were bounded in four walls of villages, towns, states and country, have jumped over to neighbouring countries. The needs of people of all countries are alike. All countries are on their march to economic growth and prosperity.

All the entities registered with the IFSC Authority must be governed by the uniformed rules and regulations made by the Authority. All the entities must have their accounts audited by auditors, on the basis of approved standard, meaning that a domestic and multinational company must be on same measuring scale. Therefore, all entities must fulfill conditions of global business practices.

LEASING BUSINESS

The practice of procuring land, building, plant and machinery, vehicles after taking loan from a financier or Sahukar is very old. The repayment of principle and the interest there on was made by the borrower in installment. Another alternative was to take the material on rent from the manufacturer or other leasing company, and pay rent. The ownership remained in the hands of the lessor / lender. Well known leasing companies in India are First leasing, Tata Motors, Mahindra & Mahindra Motors, Bajaj Allianz and many others. These NBFC were filling the gap of demand of direct borrowing from banks. It is desired that all these should run in uniform system, preferably close to the system in foreign countries. Leasing business



has been instrumental in economic growth and capital formation.

There are big companies in the world which cater to the demand of lease of Ports, ships or other warehousing facilities. There is insignificant cost but return is substantial.

The lessor uses the earning in capital formation, adding more machinery to the previous holding and/or stretch his business. The leasing business contributes in economic growth and keeps the business sustainable.

INSURANCE BUSINESS

The micro level risk of individual to the macro level risk of business and industries, are truth of life and business is the integral part. Insurance plays crucial role in giving safety and also fosters economic growth as well as acts as stabilizing force and catalyst for development.

The insurance company is connected with challenges of life, natural disasters, health, economic uncertainties and unpredictable events. Thus, insurance deals with life and non-life risks. The role of insurance companies in life risk business is much regulated as on date LIC, which has established good practices for the last many years and has been giving the lease. Nevertheless, there is lot of scope for improvement and make the policy note terms and claim settlement terms consistent with the practices followed by life insurance company abroad. All the insurance company must have competitive rate of premium, but they must compete in giving services. Insurance companies should not work like Sarkari companies, but on the contrary compete in giving reliable and quick services. The quality of service should be the criterion of their comparison rating.

In Non-life insurance business, which include medical insurance, fire insurance and other perils insurance, vehicle insurance, agriculture, environmental risks insurance, there is much diversity which give rise differentiation in premiums and terms of the policy. The Authority must bring uniformity so that the individual is not cheated at the time of settlement. The role played by IRDAI must be reviewed.

The insurance business has become global. Indian companies share risk with foreign companies and make investment in equity of public companies or treasury notes etc. This helps the economy at micro and macro level, in investment and capital formation.

At present, IRDAI is regulating the insurance business. It is thought to amend the basics of nonlife insurance policies, so that the same become akin and comparable to that of other international companies. The base product will be defined and then the rest of the product structure will be decided by the insured. It will open for the insured to select period, types of risks, he wants cover, and also giving freedom to cancel the policy anytime or extending the policy for longer period. It is suggested that insurance company not complying with the direction of Ombudsman will be liable to penalty depending on consequences or impact due to noncompliance. The company shall fix eligibility criteria for appointment of surveyors. In the policy note, it will be clear how the claim would be registered and how the claim settlement will be done.

These reforms will not only increase the revenue but will also make the concept of nonlife insurance very, very popular. The flexi nature of terms will attract every family to take insurance of any product and for as much time, depending upon his capacity to pay.

At present, some companies dealing with health insurance policies have the provisions of compensating for in-house treatment, medicines, pre hospitalisation period loss or the age limits. In India, being the country of less literate category people just choose the cheapest without seeing the aggregate benefit and coverage from risks. This trend is very dangerous and loses the advantages of insurance coverage. The people are losing faith in the integrity of the insurance executives, who cheat the customers with their sweet words.

Settlement of claims in time ensures the business to have continuity and stability. Insurance business has been revolutionised in process and in fore closure due to the advantages of advanced technology and application of Artificial intelligence. There is a lot of scope in improving the norms of insurance business, by analysing the huge data available to us.

BANKING BUSINESS

Banking services include accepting deposits, lending money, transacting various financial products. In product and service industry, through cheques, debit cards, credit cards, mobile phones, NEFT etc. It is instrumental in accelerating economic growth to the country, by helping in capital formation and increase the circulation of money. It also facilitates the transactions of payments and transfer of funds from one account to other many banks offer foreign exchange services. Some banks also deal in gold's and creation of wealth.

Our specific stress is on banks which are listed and those which have permission to do foreign transactions. Here those banks which shall have operational activities in Gift City Gandhinagar and which get registration with IFSC will be regulated and controlled by Authority.

The banks give service to small investors in keeping safe their money and serve business men in setting up and growing of business. All transactions of transfer of money in and out of country is through banks only.

In the global economy, there should be competitive services at all banks, so that transparency and accuracy continue to prevail, The Authority therefore must bring all banks, serving in Gift city at par. These banks should work alike in Indian market and international market.

DEPOSITORIES PARTICIPANTS

Right from the day the government made rule of keeping the share certificates of listing companies in paperless mode, the concept of depositories has appeared. The share scripts are deposited and the entry of those handing over is recorded in depositories account. All transactions of sale and purchase at any stock exchange of the country, are passed through the DP's. They are part and parcel of financial system.

Authority must constitute committees to streamline procedures and establish some code and conditions

of their working. This process would be successful in mitigating the frauds and thefts of physical certificates, and avoidance of cumbersome process, lacking safety and security.

MUTUAL FUNDS

A mutual fund is an investment vehicle in which a pool of investors collectively put forward funds to an investment manager to make investment on their behalf. The fund is regulated by SEBI or SEC. Now as per the notification in respect of IFSC 2022, all mutual funds listed in Gift City shall be administered and regulated by governance rules of Authority. The mutual funds are good for small investors who cannot keep constant vigil on market, therefore, they should prefer to assign the job of managing their fund to investment mutual fund, instead of tossing in high and low tides of market.

Now, all the mutual funds will be administered and regulated by the rules and regulations framed by the Authority. The Authority must ensure that rules of all funds are on uniform basis and domestic & international do not create a big gap between them.

BOOK KEEPING AND ACCOUNTANCY REPORTS

In order to have seamlessly and smooth march to achieve our objectives, the Authority must prescribe the accounting standards which must be followed. In the current situation, IFSC must follow the rules of International Financial Reporting System (IFRS) as per notification of 2024, so that the financials are understandable, transparent and transferrable, by all stake holders.

AMENDMENT IN THE GOVERNING BODY

If the new law brings forth fast growth in establishment of Gift City IFSC, then the constitution of governing body (authority) should be amended to give respectable place to representatives of banks, insurance companies, mutual funds and depositories etc.

CONCLUSION

Gift City IFSC had its grandfather (1965), and father of Indian origin (2005) but it has grown mature in the open world of international environment - which has no geographical boundaries of education, knowledge and technology. This Indian child is full of passion to compete with the richest and the finest IFSC's of the world, under the direction of the unified Authority, and its own talent with the help of latest technology and Artificial intelligence.

This IFSC shall be free of all deficiencies and weaknesses, which had prevailed in the present financial systems of India. Wishing healthy and prosperous life to GIFT CITY IFSC.

IFSCs: Transforming India into a Global Financial Powerhouse

India's integration into the global financial system attracts foreign investment, supported by Mumbai's infrastructure and a skilled workforce. Regulatory frameworks ensure compliance and governance, maintaining market stability and integrity. Accordingly, it is observed that irrespective of global competition, India is establishing itself with a major force in the world economy, by making a big move to take centre stage in the global financial scene. One of the steps taken in this direction is by the creation of International Financial Services Centres (IFSCs). By providing a top-notch platform for global financial activities and drawing large amounts of foreign investment, these special zones seek to establish India as a major global financial hub.



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INTRODUCTION

India is emerging as a prominent global financial hub, anchored by a robust banking sector encompassing public, private and foreign banks regulated by the Reserve Bank of India. Its capital markets, including the BSE and NSE, provide robust platforms for equity and debt financing, overseen by SEBI for transparency and investor protection. The FinTech sector is rapidly innovating with products like UPI, revolutionising digital payments and enhancing financial inclusion. Insurance and asset management sectors have expanded, offering diverse products and investment

opportunities. Government initiatives like Make in India and Digital India support financial sector growth, alongside reforms such as GST simplifying business operations. India's integration into the global financial system attracts foreign investment, supported by Mumbai's infrastructure and a skilled workforce. Regulatory frameworks ensure compliance and governance, maintaining market stability and integrity. Accordingly, it is observed that irrespective of global competition, India is establishing itself with a major force in the world economy, by making a big move to take centre stage in the global financial scene. One of the steps taken in this direction is by the creation of International Financial Services Centres (IFSCs). By providing a top-notch platform for global financial activities and drawing large amounts of foreign investment, these special zones seek to establish India as a major global financial hub. Let's take a closer look at the idea of IFSC India, their goals, and how they might affect the country's economy.

OVERVIEW OF IFSC IN INDIA

As per Section 3(1)(g) of The International Financial Services Centres Authority Act, 2019, "International Financial Services Centre" means an International Financial Services Centre set up, before or after the commencement of this Act, under Section 18 of the Special Economic Zones Act, 2005. India established the International Financial Services Centre (IFSC) as a specialised zone to promote the nation as a global financial hub and ease cross-border financial services transactions. An IFSC is a designated area within a Special Economic Zone (SEZ) that offers financial institutions a business-friendly environment enabling them to operate and provide varieties of financial services to people globally, including different services like fund management, banking, securities trading and insurance. The principal aim of the establishment of an IFSC in India is to attract foreign investments, both inward and outward, by offering a competitive and well-regulated milieu comparable to worldwide financial centres. Other key objectives include:

- Enabling current transactions carried out by Indian entities' overseas arms.

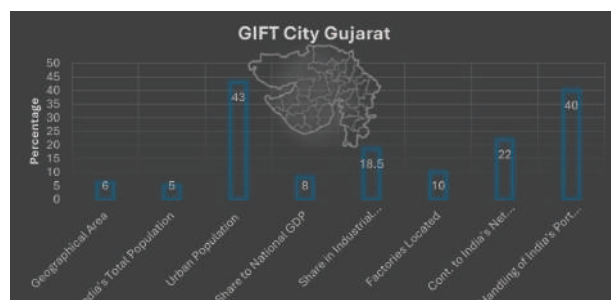
- Generating employment opportunities.
- Improving IT infrastructure.
- Boosting India's recognition as a financial hub.

ESTABLISHMENT OF IFSCA

The International Financial Services Centres Authority (IFSCA) was established on April 27, 2020, under the International Financial Services Centres Authority Act, 2019. Currently, the only IFSC in operation in India is at GIFT City in Gandhinagar, Gujarat, which serves as its headquarters. For the purpose of regulating financial institutions, services, and products in the IFSC, the IFSCA serves as a single point of reference. Its main objectives are:

- Establish a robust international financial network.
- Focus on meeting the needs of the Indian economy.
- Serve as an international financial platform for the region and global economy.
- Encourage ease of doing business and offer top-notch regulatory framework.

Before the formation of the IFSCA, various domestic regulators, such as the Reserve Bank of India (RBI), the Securities and Exchange Board of India (SEBI), the Pension Fund Regulatory and Development Authority (PFRDA), and the Insurance Regulatory and Development Authority of India (IRDAI), shared regulatory responsibilities.



Source: IFSCA Brochure

KEY OBJECTIVES AND FUNCTIONS OF IFSCA

1. **Uniform Regulation:** The IFSCA was created to handle the integrated and dynamic nature of financial services in IFSCs, which calls for close cooperation between various regulatory agencies. The IFSCA seeks to simplify procedures and lessen the regulatory burden on companies by serving as a single regulator.
2. **Ease of Doing Business:** Improving the ease of conducting business in IFSCs is one of the IFSCA's main goals. This entails streamlining legal specifications, offering precise and uniform guidance, and guaranteeing prompt approval and decision-making processes.

3. **Global Connectivity:** Establishing robust international ties is the goal of the IFSCA. To do this, regulatory standards that align with international best practices must be developed. This will draw foreign investors and financial institutions to operate within Indian IFSCs.
4. **Emphasis on Indian Economy:** The regulatory framework of the IFSCA is crafted to address the unique requirements of the Indian economy, concurrently establishing the IFSC as a worldwide financial centre. This dual emphasis aids in striking a balance between global financial integration and home economic growth.
5. **Innovation and Development:** The authority supports the development of novel financial services and products. The IFSCA seeks to raise the competitiveness of Indian IFSCs relative to other international financial centres by promoting innovative financial technologies and business models.

IFSCs: UNLEASHING PROFESSIONAL POTENTIAL WITH HOLISTIC VISION

Unleashing Professional Potential

By creating an environment that is favourable for financial services and positioning India as a global financial hub, the IFSCs in India seek to unleash professional potential with a holistic vision. IFSCs provide a platform for professionals across diverse financial sectors, such as securities trading, asset management, risk underwriting, and financial services, to demonstrate their expertise and advance their careers. Experts can prosper because of the world-class infrastructure and lenient regulatory environment, which make doing business easier.

Imagine a dynamic landscape where the surge in innovation and international financial activities has created a significant demand for financial professionals. Specialized industries with high growth rates, such as FinTech and aircraft leasing, require highly qualified workers. Collaboration with international counterparts becomes standard, providing exposure to global best practices. The International Financial Services Centres (IFSCs) in India envision this as the future.

IFSCs were founded with a comprehensive strategy with the goal of unleashing a wealth of professional potential:

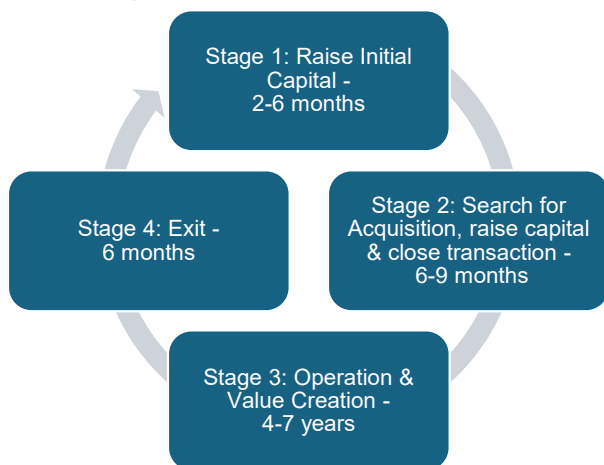
- **Demand for Skilled Workers:** By promoting innovation and drawing in international financial activities, IFSCs create a thriving ecosystem that raises the need for a skilled labour force in a variety of financial sectors. Professionals like Investment Bankers, Risk Analysts, and FinTech specialists will therefore have exciting career opportunities.
- **Focus on Specialised Skills:** IFSCs' streamlined frameworks go beyond conventional finance. Professionals with these particular skill sets can

find opportunities in industries such as aircraft and ship leasing, where specialised knowledge in areas like asset valuation and transaction structuring is necessary.

- **FinTech Talent Hub:** Innovative Financial Services Companies (IFSCs) can cultivate innovative solutions. As a result, there is a sharp increase in demand for FinTech talent since it creates a dynamic atmosphere where professionals can capitalise on their knowledge of technology and finance.
- **International Collaboration and Exposure:** IFSCs serve as a link between India and the global financial system. Professionals are able to work with colleagues around the world and are exposed to global best practices, which enhances their professional experience and helps them advance into leadership positions.

IFSCs are essentially a professional development accelerator. By nurturing a dynamic and demanding work environment, they help skilled professionals flourish and advance India's status as a major global financial hub.

Facilitating Frameworks: Through the IFSC, novel structures like the "Search Fund" model, which has gained popularity in the US, are being investigated as a means of encouraging FDI (foreign direct investment) into Indian MSMEs. With the help of this model, capital from investors such as family offices can more easily flow into smaller businesses, allowing qualified managers to effectively manage them. In order to support India's ambition of becoming a global financial powerhouse, the IFSCs in that nation work to maximise the professional potential of financial services professionals by offering a unified regulatory environment, top-notch infrastructure, and enabling structures.



KEY HIGHLIGHTS OF DEVELOPMENTS AT GIFT IFSC (2023-2024)

1. Setup of Exim Bank Subsidiary:

- Approvals were obtained in May 2023.

IFSCs: Transforming India into a Global Financial Powerhouse

- In July 2023, the Ministry of Finance released the Letter of Allotment.
- Allocating office space started in August 2023.

2. Vibrant Gujarat Global Summit:

- Taken place in January of 2024.
- MoUs were signed at GIFT IFSC to establish digital tech and finance entities with Australian firms.

3. Prime Minister's Vision:

- The function of GIFT City as a global fintech gateway was highlighted by PM Narendra Modi.

4. Direct Listing of Indian Companies:

- Declared in January 2024 by Nirmala Sitharaman, Minister of Finance.
- Guidelines for foreign exchange listings released by SEBI.

5. Companies (Amendment) Act, 2020:

- Permits Indian public companies to be listed directly on international exchanges.
- Anticipated to improve assessments, draw in overseas capital, and broaden the range of financial offerings.

6. Companies (Listing of equity shares in permissible jurisdictions) Rules, 2024:

- Unlisted public companies without partly paid-up shares can issue equity shares for listing on stock exchanges in permissible jurisdictions.
- This includes offering for sale of equity shares by existing shareholders for listing.
- Compliance with the Scheme and conditions specified by SEBI is mandatory.
- The prospectus must be submitted by the unlisted public company using e-Form LEAP-1 in the permitted exchange within seven days of finalisation and filing.
- Companies must prepare financial statements in accordance with Indian Accounting Standards (IAS) as outlined in the Companies (Indian Accounting Standards) Rules, 2015 after listing on a recognised stock exchange.
- This is in addition to any other accounting standards required by the securities regulator or relevant stock exchange.

7. Union Budget FY 2023-24 Initiatives

- Giving IFSCA authority under the SEZ Act.
- Putting in place a single-window IT system to handle IFSCA, SEZ, RBI, SEBI, and IRDAI approvals.

- Allowing foreign banks' IFSC Banking Units to finance acquisitions.
- Establishing a trade re-financing subsidiary of EXIM Bank.
- Identifying derivatives that are offshore.
- Encouraging Data Embassies to ensure digital sustainability.

8. **Union Budget 2023: Tax Incentives and Policy Announcements:**

- SEZ Act authority is transferred to IFSCA in order to expedite the registration and approval procedures.
- A single-window IT system is suggested to make it easier to register and receive approval from several regulators, thus improving business ease.

9. **Future Plans (2024-25):**

- GIFT IFSC being transformed into a hub for reinsurance.
- Simplifying accounting, compliance, and bookkeeping services.
- Pay attention to the pension industry, enabling foreign currency savings for the Indian dispersion.

These highlights demonstrate GIFT IFSC's ongoing efforts to improve the regulatory framework, expedite procedures, and develop a positive business environment—all of which contribute to the organization's positioning as a crucial global financial hub.



Source: EY India

ROLE OF IFSCs IN INDIAN MARKETS

India has started a revolutionary journey in recent years to create International Financial Services Centres (IFSCs), which provide a competitive edge in financial services and replicate the infrastructure of global financial hubs. These special economic zones, such as Gujarat's GIFT City, act as vital hubs for a variety of financial operations, from banking and securities trading to niche markets like reinsurance and aircraft leasing.

1. **Global Reach: IFSC Exchanges Facilitating Cross-Border Securities Listing**

Listed securities on IFSC exchanges, like GIFT City's INX, give businesses access to foreign investors

By creating an environment that is favourable for financial services and positioning India as a global financial hub, the IFSCs in India seek to unleash professional potential with a holistic vision. IFSCs provide a platform for professionals across diverse financial sectors, such as securities trading, asset management, risk underwriting, and financial services, to demonstrate their expertise and advance their careers. Experts can prosper because of the world-class infrastructure and lenient regulatory environment, which make doing business easier.

and worldwide exposure. These exchanges provide simplified regulatory framework under IFSCA, currency flexibility, and tax benefits (exemption from capital gains and transaction taxes). Globally recognised for their excellent governance and investor protection, IFSC exchanges also offer derivatives trading and sector-specific expertise, which boosts their competitiveness and draws a wide range of issuers and investors looking for easy access to markets and regulatory certainty.

2. **Future Horizons: Business Prospects in India's Evolving IFSCs**

IFSCs offer attractive business opportunities when considering India in 2047. These hubs, located in locations like GIFT City, were established under the IFSCA's unified regulatory framework, providing streamlined regulations and tax benefits as a gateway to international markets. By that time, IFSCs should be thriving hubs for financial innovation, housing wealth management, global trading platforms, fintech, and banking services. They will draw investors, startups, and multinational companies looking for effective cross-border transactions and access to a skilled, diverse workforce. With India forging closer economic ties with other countries, IFSCs will be essential to maintaining growth and promoting international business partnerships.

3. **Sky High: IFSCs as Pioneers in Aircraft Leasing Solutions**

Within India's IFSCs, aircraft leasing is a potentially lucrative avenue with a lot of untapped potential. IFSCs, which are spearheading by GIFT City, offer an environment that is favourable to international aircraft lessors and lessees. Tax exemptions on leasing income and transactions give this industry a competitive advantage. Additionally, the IFSCA provides strong regulatory oversight over IFSCs,

guaranteeing investor confidence and transparency. International financial institutions and airlines are drawn to IFSCs as they streamline leasing transactions and meet the growing demand for air travel. By taking advantage of these benefits, India's IFSCs are poised to establish themselves as important hubs in the global aircraft leasing industry, promoting connectivity and economic growth.

4. **Navigating Seas: Diverse Opportunities in Ship Leasing at IFSCs**

The maritime industry can benefit greatly from IFSCs' diverse ship leasing structures. They include long-term finance leases similar to credit purchases and short-term operational leases for urgent requirements. The attractiveness of ship leasing activities is increased by IFSCs, which offer substantial tax benefits like exemptions on leasing income, withholding tax, and GST. Under the auspices of the IFSCA, these centres guarantee a strong regulatory structure that encourages openness and adherence, reinforcing investor trust. India is positioned as a competitive hub in the global ship leasing market thanks to IFSCs, which draw in global lessors and lessees with an emphasis on global connectivity and adherence to international standards. This industry facilitates international trade and maritime commerce, and it also supports the development of maritime infrastructure in India.

5. **Trade Redefined: ITFS Transforming Global Trade at IFSCs**

It is a revolutionary idea to reimagine trade via the International Trade Finance Services Platform (ITFS) in India's IFSCs. This platform combines cutting-edge financial services to improve and expedite trade finance procedures around the world. ITFS provides cutting edge solutions including supply chain finance, trade credit insurance, and digital trade finance at IFSCs like GIFT City. Through the use of IFSC benefits like tax exemptions, effective regulation under IFSCA supervision, and a strong infrastructure, ITFS enables smooth multicurrency transactions. Through efficient cross-border trade support, ITFS lowers transaction costs, increases transparency, and reduces risks, enabling businesses to reach a wider global audience. India's IFSCs, positioned as a centre for trade finance innovation, are well-positioned to spur economic expansion and fortify trade ties across borders in the digital era.

6. **Banking Forward: IFSCA Regulations Shaping the Future of Finance**

The foundation for a vibrant future for banking in India's IFSCs was laid by the IFSCA (Banking) Regulations, 2020. These include bringing banking practices into compliance with international standards, fostering fintech innovation, guaranteeing the efficiency and clarity of regulations, providing tax advantages, advancing financial inclusion, and

bolstering risk management. The aforementioned regulations facilitate cross-border transactions and specialised financial solutions, thereby enhancing India's global financial prominence and positioning IFSCs such as GIFT City to become competitive hubs for advanced banking services. By permitting foreign banks to open offices in IFSCs and drawing in foreign capital and expertise, the regulations further facilitate global integration.

7. **Gold Standard: IFSCA Bullion Exchange Regulations Setting Global Benchmarks**

India's first International Bullion Spot Exchange will be established within its IFSCs. By creating a strong framework for trading precious metals like gold and silver, these regulations hope to improve bullion markets' efficiency, transparency, and liquidity. Overseen by the IFSCA, the regulations provide a simplified regulatory framework and tax incentives while guaranteeing compliance with international best practices. Through this initiative, IFSCs—GIFT City being the first—are positioned as leading centres for bullion trading, drawing in participants from around the world and elevating India's profile in the global bullion market.

8. **Educational Empowerment: IFSCA Regulations Fostering Global Education Excellence**

An important step in enhancing India's soft power internationally is the IFSCA (Setting up and Operation of International Branch Campuses and Offshore Education Centres) Regulations, 2022. Within India's International Financial Services Centres (IFSCs), beginning with GIFT City, these regulations permit the creation and operation of international branch campuses and offshore education centres. These regulations are intended to draw in elite international educational institutions by providing a favourable regulatory environment, tax incentives, and streamlined procedures under IFSCA supervision. This program strengthens India's standing as a centre for high-quality education and knowledge exchange while also improving educational opportunities for both domestic and foreign students. Through research, innovation, and cultural exchange cooperation, these regulations set up IFSCs to act as engines of India's rise to prominence as a major global soft power in the realm of education.

9. **FinTech Nexus: IFSCs Leading Global Innovation in Financial Technology**

Through the comparison of international best practices with regulatory innovation, IFSCs are positioned to become global FinTech hubs. Under the direction of IFSCA, these centres—GIFT City being the first—strive to draw leading FinTech companies with simplified rules, tax breaks, and a welcoming environment for blockchain, digital payments, and AI-powered services. By accelerating digital transformation across industries, increasing India's



competitiveness in the global FinTech market, and promoting financial inclusion, this initiative positions IFSCs as major players in determining the global financial services landscape.

10. Vision 2047: IFSCA Spearheading India's Economic Ascent

When it comes to targeting “Viksit Bharat” by 2047, IFSCs are revolutionary. They draw in foreign capital, which promotes infrastructure, technological advancement, and the creation of jobs. India’s economic standing is strengthened, and exports are increased through streamlined trade finance in IFSCs. A workforce with the necessary skills to negotiate the global financial scene emerges as IFSCs open up new financial opportunities. Under the IFSC framework, innovation thrives, catapulting India’s financial sector to a position of global leadership. IFSCs promote India as a top location for international activities by facilitating smooth integration with the global financial ecosystem. IFSCs are essentially a major force behind global financial leadership and economic growth for a “Viksit Bharat.”

11. Investment Insights: REITs and InvITs Thriving in GIFT IFSC

Real Estate Investment Trusts (REITs) and Infrastructure Investment Trusts (InvITs) are two investment options that appeal to investors at GIFT IFSC. While InvITs concentrate on infrastructure

projects like power plants and roads, REITs offer access to income-generating real estate assets. Both types of investments profit from tax exemptions on capital gains and dividends within IFSCs. Global investors are drawn to these investment vehicles because of their transparent, streamlined regulations and wide range of asset classes. Under the IFSCA's regulation, they make a substantial contribution to India's infrastructure and real estate industries, fostering economic expansion and providing investors with stable returns in a safe haven.

12. Risk Revolution: IFSCs Transforming India's Reinsurance Landscape

IFSCs are creating an exciting new wave of change for the insurance industry in India. The best reinsurance companies in the world are drawn to these centres because of their superior tax advantages and regulations. The Indian reinsurance market is strengthened by this infusion of capital and international expertise. Through IFSCs, Indian insurers can disperse risk over a larger global pool, thereby enhancing risk management and stabilising the insurance industry. Domestic insurers are better equipped to manage complex risks and create cutting-edge products thanks to knowledge transfer from these international players. Indian insurers benefit from lower reinsurance costs and more options due to the increased market competition. Moreover, IFSCs encourage innovation, which

results in the development of fresh and customised reinsurance solutions that meet India's changing economic requirements. IFSCs are essentially India's next-generation insurance landscape's launching pad, helping it to become a global leader in reinsurance.

13. Navigating Governance: Empowering IFSCs through Expert Governance Professionals

IFSCs have a major impact on India's financial sector by providing a supportive environment for governance professionals. In IFSCs like GIFT City, these professionals, which include Compliance officers, Company Secretaries, and Experts in Corporate Governance, play a critical role in guaranteeing ethical behaviour, regulatory compliance, and efficient risk management. The regulatory oversight provided by the IFSCA guarantees strong governance frameworks, transparency, and conformity to international standards, all of which contribute to increased investor and stakeholder trust. In addition to driving innovation in corporate governance practices and sustainable economic growth, IFSCs enhance India's standing as a reliable global financial hub by drawing in highly qualified professionals and cultivating a culture of good governance.

CONCLUSION

With an all-encompassing vision, IFSCs have the potential to greatly expand professional opportunities in a variety of industries. Every facet of IFSCs' involvement in promoting economic growth and international engagement, from listing securities on IFSC exchanges to investigating cutting-edge opportunities like ship and aircraft leasing to transforming trade through cutting-edge financial platforms like the International Trade Finance Services (ITFS), highlights this contribution.

India's aspiration to become a global soft power by 2047 is reflected in the proactive regulations that the IFSCA has put in place, including those that regulate banking, bullion exchanges, and abroad campuses. Along with positioning IFSCs like GIFT City as centres of fintech innovation and specialised financial services, these initiatives also expand India's NextGen insurance capabilities by boosting opportunities in real estate, infrastructure trusts (REITs and InvITs), and reinsurance.

The critical role that governance specialists play in upholding moral principles and legal compliance is also emphasised by IFSCs, as these are prerequisites for preserving investor confidence and guaranteeing ongoing financial stability. With IFSCs representing a dynamic ecosystem where local aspirations and global best practices converge to drive inclusive growth and innovation, India is moving toward becoming Viksit Bharat (Prosperous India) by 2047.

In summary, IFSCs are a key economic pillar that also symbolise India's goal of realising its full potential

internationally and building an innovative, sustainable and inclusively prosperous future.

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Navigating the Future: Benchmarking Regulatory Innovation in Global Fintech Hubs through International Financial Centres

The IFSCA is spearheading the creation of a Global Fintech Hub within India's borders, designed to entice offshore fintech companies to establish their presence in the country. This initiative offers a regulatory framework that is both accommodating and less restrictive, setting a global standard for regulatory innovation and best practices. The hub is dedicated to cultivating an environment that accelerates fintech advancement, eases the burden of regulatory compliance, and simplifies the procedures for obtaining licenses and registrations. It also highlights the essential nature of a nurturing fundraising climate, which is vital for the prosperity of fintech enterprises.



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INTRODUCTION

A GUIDE TO CRAFTING REGULATORY POLICIES FOR A THRIVING GLOBAL FINTECH ECOSYSTEM IN GIFT IFSC

As per the Circular on Framework for FinTech Entity in the International Financial Services Centres¹ ('IFSC') released by IFSC Authority ('IFSCA') to regulate GIFT-IFSC ('Fintech Circular') in India on April 27, 2022, a Fintech Entity means *'an entity authorised by the IFSCA under the appropriate framework and shall include both Domestic and Foreign FinTechs'*; whereas the term 'Fintech' is construed to include *'financial technology solutions which result in new business models, applications, process or products in financial services regulated by the IFSCA or advanced/innovative technology solutions which aid and assists activities in relation to financial products, financial services and financial institutions'*. Such Fintech Entities, if registered as an IFSC, are subject to a regulatory framework that is aligned with global standards and enjoy a special offshore status within India.

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offshore fintech companies to establish their presence in the country. This initiative offers a regulatory framework that is both accommodating and less restrictive, setting a global standard for regulatory innovation and best practices. The hub is dedicated to cultivating an environment that accelerates fintech advancement, eases the burden of regulatory compliance, and simplifies the procedures for obtaining licenses and registrations. It also highlights the essential nature of a nurturing fundraising climate, which is vital for the prosperity of fintech enterprises.

On February 02, 2022, IFSCA came up with the *'Fintech Initiative Scheme'* with the principal objective to promote the establishment of a world-class FinTech Hub, comparable with those located in advanced International Financial Centres (IFCs) across jurisdictions, at IFSC in India by providing financial support to FinTech activities in the form of specific grant(s) as specified in the scheme, based on their eligibility and fulfilment of terms and conditions as may be specified in the scheme.

• More about Fintechs

The first reference to the term Fintech can be traced back to the early 1990s when it was introduced under the Financial Services Technology Consortium started by Citicorp.²

Fintech's transformative power is evident in its diverse array of business models, each addressing unique facets of financial services:

- Streamlined Payment Solutions:** Fintech's innovative payment processing methods, including mobile devices, e-wallets, and digital currencies, which are redefining cross-border transactions. These solutions offer rapid transfers at reduced costs, challenging traditional banking and credit card systems.
- Data-Driven Investment Strategies:** Leveraging the vast potential of big data, Fintech employs AI and data-mining to develop robo-advisers. These digital

¹ [fe-framework_27-04-202227042022122844.pdf \(ifsc.gov.in\)](#)

² *The Evolution of Fintech - The New York Times (nytimes.com)*

consultants utilize objective data analysis to eliminate human biases, ensuring well-informed investment decisions and diversified portfolio management.

3. **Decentralized Lending Platforms:** By operating on P2P platforms, Fintech bypasses traditional financial intermediaries, facilitating direct lending and borrowing among users. This decentralization significantly lowers transaction fees, benefiting both borrowers and lenders.
4. **Innovative Crowdfunding Models:** Fintech platforms enable emerging businesses to secure funding from a broad base of contributors. This approach not only garners financial support but also fosters customer engagement, with backers often becoming the first customers. Additionally, it encourages investment syndication, allowing novice investors to rely on the expertise of seasoned ones.”

FINTECH IN GIFT-IFSC

In the Fintech Circular, the IFSCA provided a list of permissible areas/activities which construes as innovation through the Fintech Regime as mentioned below³ –

Banking Sector	Capital Markets and Funds Management	Insurance sector
<ul style="list-style-type: none"> • Remittance and payments • Digital lending • Buy Now Pay Later • Crowd Lending • Digital Bank (Neo Banking/Challenger bank) • Open banking 	<ul style="list-style-type: none"> • Crowd funding • Personal finance • Wealth Tech • Robo Advisory • Sustainable Finance products • Alternate trading platforms 	<ul style="list-style-type: none"> • InsurTech • Innovative technologies for insurance life cycle (underwriting, claims management of life/health products etc.) • Digital innovation for global health insurance cover • Innovation in commercial insurance • Digital platform for settlement of balances between insurance companies • Open insurance • Embedded insurance • Cyber insurance

Further, assistance through Agri Tech, Accelerators, Climate/Green/Sustainable Tech, Defence Tech, Regulatory Tech Space Tech Supervisory Tech Technology solution supporting Digital banking (example Core Banking etc.), aiding Trade Finance, Solutions/services for BFSI domain leveraging Artificial Intelligence/Machine Learning, Big Data, Blockchain, Chatbots, Cyber security, Digital Identity/KYC/AML/CFT, Distributed Ledger Technology, Internet of Things (IoT), Longevity Finance, Metaverse including Augmented Reality and/or Virtual Reality, Quantum Tech and Web 3.0 shall all construe as Innovation through Fintech.

Fintech is broadly understood to encompass the use of technologies like artificial intelligence, blockchain, cloud computing, and processing huge data systems in financial services, including payment processing, clearing and settlement systems, deposit services, lending, fundraising, insurance, investment management, and market support.

BENCHMARKING REGULATORY PRACTICES ACROSS GFCs IN THE AFOREMENTIONED DOMAIN

Regulatory practices in the fintech domain are continually evolving across GFC/IFSC, presenting a multifaceted landscape of strategies tailored to the unique challenges and prospects of financial technology. A thorough benchmarking exercise has been undertaken, encompassing the regulatory frameworks of top GFCs located worldwide.

1. Hong Kong

The **Hong Kong Monetary Authority** (‘HKMA’) is the regulatory authority for governing the Hong Kong IFC and is developing the Fintech Hub by striking the right balance between retaining appropriate flexibility for innovations and ensuring that customer interests

are properly safeguarded during fintech development. The Fintech Facilitation Office (‘FFO’), established by the HKMA in 2016, facilitates the healthy development and promotion of the fintech ecosystem.

HKMA’s Fintech Initiatives include launching of ‘Seven Smart Banking Initiatives’ in 2017 which was unveiled in June 2021 with a strategy called ‘Fintech 2025’ to drive fintech development in Hong Kong which encompasses-⁴

a. Faster Payment Systems

The FPS enables their customers to make cross-bank/e-wallet payments easily, by entering the mobile phone number or the email address of the recipient, with funds available to the recipient almost immediately. The FPS operates on 24x7 basis and supports payments in the Hong Kong dollar and the renminbi.

b. Development of Fintech Supervisory Sandbox Version 2.0

A Fintech Supervisory Chatroom was launched to provide feedback to banks and tech firms at an early stage of their fintech projects. Tech firms can now access the Sandbox by seeking feedback from the HKMA through the Chatroom without going through a bank. The sandboxes of the HKMA, the Securities and Futures Commission and the Insurance Authority are linked up so that there is a single point of entry, if needed, for pilot trials of cross-sector fintech products.

c. Virtual Banks and e-banking

The introduction of virtual banks is considered a significant step towards Hong Kong’s Smart Banking Era. The HKMA views virtual banks to foster fintech and innovation, offering a novel customer experience and promoting financial inclusion, especially for the retail segment and SMEs. Virtual banks are held to the same supervisory standards as traditional banks, but with certain adaptations to fit their business models. They must meet requirements regarding minimum paid-up share capital, financial resource adequacy, liquidity, accounting systems, and the suitability of their directors and managers. *Flexibility is provided for banks incorporated outside Hong Kong, which must comply with their home banking authority.* The HKMA may accept the foreign authority’s satisfaction on certain matters concerning authorization. Virtual banks must adhere to regulatory compliances such as periodic returns’ submission, exposure limitations, and seek approval for appointments of directors and chief executives to HKMA. *However, overseas banks operating as branches are not required to hold capital in Hong Kong, thus exempt from capital ratio requirements and large exposure limits.*

³ International Financial Services Centres Authority (ifsc.gov.in)

⁴ Hong Kong Monetary Authority - Fintech (hkma.gov.hk)

Fintech is broadly understood to encompass the use of technologies like artificial intelligence, blockchain, cloud computing, and processing huge data systems in financial services, including payment processing, clearing and settlement systems, deposit services, lending, fundraising, insurance, investment management, and market support.

In 2015, the HKMA released the 'Supervisory Policy Manual on Risk Management of E-banking', encompassing guidelines for e-banking risk management, advocating a risk-based approach similar to the COSO framework, to ensure prudent measures against increasing cyber risks, mandating the fortification of their security controls in response to incidents of unauthorized trading transactions.

d. Application Programming Interface (API) for Banking Sector

This is a computer programming approach for facilitating exchange of information and executing instructions between different computer systems. Open APIs refer to APIs that allow third party access to systems of an organisation. The Framework takes a risk-based principle and a four-phase approach to implement various Open API functions and recommends prevailing international technical and security standards to ensure fast and safe adoption. It also lays out detailed expectations on how banks should onboard and maintain relationship with Third Party Service Providers in a manner that ensures consumer protection.

e. Closer Cross Border Collaboration

The HKMA is building collaborative ties with other jurisdictions to strengthen collaboration in fintech.

f. Research and Application

The FFO acts as an initiator of industry research in identifying potential applications and risks of fintech solutions. It has launched schemes like Distributed Ledger Technology, Cybersecurity Fortification Initiative, to elevate the cybersecurity expectations for regulated financial institutions. The CFI comprises three primary components: the Cyber Resilience Assessment Framework, the Professional Development Program, and the Cyber Intelligence Sharing Platform. The Assessment Framework employs a risk-based methodology, enabling institutions to evaluate their cyber defence and resilience levels, as well as their protective measures against cyber attacks. The Development Program is dedicated to cultivating cybersecurity professionals, while the

Sharing Platform serves as a robust infrastructure for disseminating cyber threat intelligence. Other schemes like Open API, HKMA ASTRI Innovation Hub, conducting study of the opportunities and challenges of applying AI technology in the banking industry, Commercial Data Interchange scheme.

g. Fintech Talent Development

i. Industry Project Masters Network (IPMN)

Under the 'Fintech 2025' strategy, the IPMN scheme was launched in September 2022 to groom fintech talent by providing opportunities to postgraduate students for them to work on banks' fintech or industry projects and gain hands-on experience and skills.

ii. Fintech Career Accelerator Scheme (FCAS)

The Fintech Career Accelerator Scheme is a talent development scheme launched by the HKMA in 2016 to expand the fintech talent pool in Hong Kong.

- Strategic approach by HKMA in countering cyber risks⁵

Scope	Initiatives taken	Risk management & compliance measures	Human Capital
Enhancing existing banking operations	Safeguarding e-banking and internet banking operations	Directives for operational enhancements of regulated financial institutions	Upgrading knowledge about embracing cyber risk
Safeguarding integrity of GFC	Systemic risk governance and management with CFI	Comprehensive cybersecurity approach Development of future risk-management	Development of future risk-management professionals for the industry
Market Innovation	Establishing Fintech Innovation Hub	Establishing Fintech Supervisory Sandbox	Preventive measures through early engagement of talents in the industry, universities and the science park

2. Singapore⁶

Singapore's financial landscape is shaped by the **Monetary Authority of Singapore** ('MAS'), which serves as the central regulator for financial institutions. The MAS has established a **Fintech Regulatory Sandbox**, enabling fintech companies to test their products and services within a controlled regulatory framework. This initiative accelerates market entry and provides regulatory clarity while ensuring adherence to AML/CFT guidelines.

Fintech businesses must also comply with the Personal Data Protection Act to safeguard personal data. Depending on their activities, they may fall under the Payment Services Act, which encompasses various payment services, including digital payment token services. For those operating in the capital market sector, compliance with the Securities and Futures Act and Financial Advisers Act is crucial, covering securities, futures, and financial advisory services regulations.

⁵ *Emergence of Fintech and cybersecurity in a global financial centre - Journal of Financial Regulation & Compliance > 2017 > Volume 25 > Issue 4, 1 November > Articles* [School of Professional Education and Executive Development, The SHong Kong Polytechnic University, Kowloon, Hong Kong]

⁶ www.mas.gov.sg



Singapore's robust regulatory environment, coupled with its strong government support, positions it as an attractive destination for regulated fintech businesses. The availability of business and tech talent, supported by active venture capital funding, fosters a conducive ecosystem for startups.

The Singapore FinTech Festival, launched in 2016, has become a global platform for engagement and collaboration in financial services innovation, public policy, and technological advancements.

Key Highlights guiding the regulatory framework in Singapore:

a. ESG Framework

MAS has launched a series of initiatives to use technology to facilitate the financial sector's sustainability goals under the 'Project Greenprint'.⁷ The project aims to create digital utilities and cultivate an ESG FinTech ecosystem that enable the seamless exchange of trusted ESG data and support the allocation and monitoring of green capital. One of the digital utilities is an 'integrated disclosure portal'. The portal is designed to simplify sustainability reporting and improve access to ESG data for companies, financial institutions, and other stakeholders. The portal aligns with various standards and frameworks and allows data sharing with consent. The portal was launched in September 2022 with the SGX for listed issuers in Singapore. The portal will also incorporate other regulatory or voluntary disclosure requirements from other government agencies and private sector entities based in Singapore. The MAS has also established the 'ESG Impact Hub' which will be a dedicated space for ESG FinTechs, financial institutions, and real economy stakeholders to co-locate and collaborate. The initiative aims to promote the development of a robust and active ESG ecosystem in Singapore.

⁷ <https://www.mas.gov.sg/development/fintech/green-fintech>

b. Fintech in E-Payments

In line with Singapore's Smart Nation initiative, MAS is committed to establishing a Smart Financial Centre where innovation is widespread and FinTech is extensively utilized. E-payments are a crucial element of this agenda. MAS envisions a society that not only enjoys the convenience of e-payments but also benefits from the resulting competition and innovation. Key initiatives such as SGQR, FAST, UPOS, and PayNow are emphasized, along with cross-border payment linkages to enhance convenience.

- i. SGQR: The 'Singapore Quick Response Code' is a comprehensive QR code system that has been implemented nationwide since 2018. It supports e-payments from various domestic and international payment schemes, e-wallets, and banks.
- ii. FAST: 'Fast and Secure Transfers' is a service that enables almost instantaneous transfers of Singapore Dollar funds between participating banks within Singapore.
- iii. UPOS: Unified Point of Sale terminals offer a single interface for retail payments, accepting all major debit and credit cards, including contactless options and those integrated into smartphones.
- iv. PayNow: PayNow leverages the FAST infrastructure to allow users to transfer Singapore Dollar funds using the recipient's NRIC number, phone number, or Unique Entity Number.

These initiatives are integral to Singapore's strategy to foster an inclusive, innovative, and competitive e-payments landscape.

3. UK

In the heart of Europe, the United Kingdom stands as a towering figure in the financial world. Its comprehensive ecosystem of financial services is

bolstered by a robust network of legal, accounting, consulting, operational, and technological innovation services. This intricate web of support has solidified the UK's position as a global financial hub, attracting businesses and investors from across the world.

Recent policy and regulatory changes by the UK government have further enhanced this business-friendly environment. The introduction of the 'Cryptoassets and Stablecoins Taskforce' and a new regime for '*fiat-backed stablecoins*' are just a few examples of the transformative measures taken to spur future growth. Additionally, the government's 'Consultation Paper On Cryptoassets Regulation'⁸ reflects its commitment to fostering a secure and thriving financial sector.

The **Financial Conduct Authority** ('FCA'), the UK's financial regulator, has embraced a pro-innovation stance that has significantly contributed to the sector's dynamism. Through its Innovation services, the FCA has supported over 80 firms with innovative wholesale products. *An impressive 92% of sandbox firms achieve successful authorization⁹, with a higher likelihood of securing investment and, on average, receiving 15% more funding compared to other non-Innovative firms¹⁰.*

This exemplifies the FCA's dedication to progress, providing online tools and synthetic data assets that enable firms to test and develop their products in a controlled environment. As the UK continues to navigate the complexities of the financial landscape, its commitment to innovation and regulatory adaptability positions it as a leader in the global market. The synergy between government initiatives and regulatory support ensures that the UK remains a beacon of financial excellence and a magnet for international investment.

More about Wealth-Tech Asset Management in UK¹¹

The FCA published a discussion paper seeking views on UK Funds and Asset Managers' Regulation¹², aiming to modernize the regime post-Brexit on February 20, 2023. The regulatory focus areas for asset management and alternatives are as outlined below-

⁸ <https://www.gov.uk/government/consultations/cryptoasset-reporting-framework-and-common-reporting-standard/cryptoasset-reporting-framework-and-amendments-to-the-common-reporting-standard-extension-to-domestic-reporting-and-implementation#:~:text=This%20consultation%20outlines%20the%20UK's,reporting%20obligations%20for%20the%20CARF%20>

⁹ <https://www.fca.org.uk/news/speeches/innovation-regulation-partners-success-financial-services>

¹⁰ G. Cornelli et al., *Regulatory Sandboxes and Fintech Funding: Evidence from the UK*, *Review of Finance* (April 20, 2023), https://papers.ssrn.com/sol3/papers.cfm?abstract_id=3727816, at 3-4. *Of the firms that entered the FCA's sandbox between November 2016 and July 2019, 75% of them were still around in the first quarter of 2022, compared to 60% of a control set of firms.* Id. at 4, 8, 38.

¹¹ Portfolio letter: Asset Management & Alternatives Supervisory Strategy - interim update (fca.org.uk)

¹² *The future of asset management regulation in the UK – FCA discussion paper DP23/2 | United Kingdom | Global law firm | Norton Rose Fulbright*

- a. **Governance and Senior Accountability:** Ensuring effective management of risks and oversight by governance bodies.
- b. **Assessments of Value and Consumer Duty:** The provisioning of Consumer Duty, which commenced in 2023, focuses on how asset managers consider the price and value of products and services provided to unit-linked funds. A joint multi-firm review with the life insurance portfolio was planned to assess this across the value chain, FCA intends to monitor firms' compliance with the Consumer Duty and their assessment of value for products and services.
- c. **Change Management:** Addressing operational resilience and preparedness for regulatory changes like Policy Statement 21/3. From July 31, 2024, the Consumer Duty will also apply to closed products and services.
- d. **Valuation Practices:** To review valuation practices for private assets to ensure robustness and reliability.
- e. **Sustainability Disclosure Requirements (SDR):** In 2024, firms will implement the SDR and investment labels. Boards must oversee and review ESG information providers and claims made by their firms to avoid exaggerated or misleading sustainability-related claims.
- f. **Operational Resilience:** Firms must have performed mapping and testing to show they can remain within impact tolerances for each important business service by March 31, 2025.
- g. **Regulatory Enhancements:** Firms need to work basis upon the 'Smarter Regulatory Framework' launched by FCA which will focus on MiFID, AIFMD, and UCITS, with significant progress expected in 2024. Changes aim to be effective, proportionate, and support technological innovation.

Further to access the *right talent and expertise*, the UK introduced a range of new and reformed high-skilled visas, like the 'Scale-up Worker visa'¹³ which helps fast growing businesses bring in the talent they need to grow and drive innovation and the 'Innovator Founder visa'¹⁴ (April 2023) making it easier for those with the skills and experience to explore, and invest in, innovative businesses in the UK and further made plans to encourage greater levels of investment in employee training and improving tech and digital skills.

4. New York

New York's IFC being the leader in GFCs, sets a precedent in shaping the future of Wealth-Tech, Insurtech, Robo-Advisory and crowdfunding and the key focus areas are delved deeper below -

¹³ <https://www.gov.uk/scale-up-worker-visa>

¹⁴ <https://www.relocate.me/post/the-uk-innovator-founder-visa-a-simple-and-affordable-alternative-to-the-global-talent-uk>



- a. **Crowdfunding:** The SEC's Regulation on Crowdfunding requires all transactions to take place online through an SEC-registered intermediary and permits a company to raise a maximum aggregate amount of \$5 million through crowdfunding offerings in a 12-month period.¹⁵
 - b. **Wealth Tech:** The regulatory aspects for WealthTech startups include dealing with the SEC and the Financial Industry Regulatory Authority ('FINRA'), (an industry self-regulatory organization) to ensure investor protection from fraud and misbehaviour.
 - c. **Robo Advisory:** ¹⁶*The Staff of the Division of Investment Management ('Staff') and the Staff of the Office of Compliance Inspections and Examinations of the SEC have been monitoring robo-advisors and evaluating how they meet their obligations under the Investment Advisers Act of 1940. Robo-advisors must register with the SEC, just like human advisors, and are subject to the same securities laws and regulations as traditional broker-dealers. Most robo-advisors are members of the FINRA. Investors can use FINRA's BrokerCheck to research robo-advisors the same way they would a human advisor. Robo-advisors must ensure that their marketing materials are not misleading and that conflicts are disclosed to investors. They must also adopt and implement written policies and procedures reasonably designed to prevent the adviser from deviating from its claimed investment process.*
- The 'substance' and 'presentation' of 'disclosures' to clients about the robo-adviser and the investment advisory services it offers.
 - The 'obligation to obtain information' from clients to support the roboadviser's duty to provide suitable and individualized advice.
 - The 'adoption and implementation of effective compliance programs' reasonably designed to address concerns when providing automated advice.
5. **UAE¹⁷**

As a global financial centre, the United Arab Emirates ('UAE') has invested heavily in promoting 'sustainable finance' across all sectors and the *Dubai Financial Services Authority* ('DFSA') in Dubai and the *Financial Services Regulatory Authority* ('FSRA') in Abu Dhabi are taking a more active role in enabling the development of sustainable finance in the UAE, as a move towards evolving as a sustainable economy and respond to climate change risks. Brief overview of recent key developments regarding sustainable finance regulation is as below -

 - a. **Statement on Sustainable Finance**

In November 2021, the 'UAE Sustainable Working Group' issued a statement on its commitment to achieving its sustainability objectives of the UAE (including the UAE's Net Zero Goal by 2050) and developing sustainable finance policies in the UAE.

The statement provides a roadmap for the participating authorities to achieve these objectives, setting out three key deliverables-

The regulatory framework focuses on three specific areas identified by the Staff:

^{15.} <https://www.sec.gov/education/smallbusiness/exemptofferings/regcrowdfunding>

^{16.} Robo-Advisers (sec.gov)

^{17.} <https://www.dfsa.ae/what-we-do/sustainable-finance/uae-difc-engagement>

- *Strengthening ESG corporate disclosure standards across the UAE;*
- *Encouraging companies to adopt good corporate governance structures; and*
- *Developing a taxonomy of sustainable activities to inform investors and set a path for economic transition.*

The roadmap builds on the commitments set out in the 'Guiding Principles on Sustainable Finance in the UAE' which was signed by financial regulators and other authorities in the UAE in 2020, based on the *United Nations Agenda for Sustainable Development* ('UNSD'), which serve as a guide to implement and integrate consistent sustainable practices in financial entities in the UAE.

b. Dubai / Dubai International Financial Centre

The 'Dubai Sustainable Finance Working Group', a joint government and stakeholder initiative, was formed to transform Dubai into the region's most sustainable financial hub. In February 2021, the group unveiled two pivotal guides:

- *The Sustainable Investing Guide, which offers investors an understanding of ESG and sustainable investments, including those available in Dubai, and*
- *The Sustainable Issuance Guide, which provides a detailed look at ESG and sustainable financial products and a framework for their issuance. DIFC is a key participant in this initiative.*

In line with the DIFC's 2024 Strategy, a Sustainability Framework with four foundational pillars was set up to guide its sustainability initiatives:

- **Social:** Encourages community collaboration on projects for those in need, fostering philanthropy and talent development for future generations, and promoting community wellbeing and happiness.
- **Environmental:** Focuses on environmental conservation through strategic partnerships with conservation organizations.
- **Governance:** Aims to ensure the organization's protection and economic sustainability by promoting transparency and effective stakeholder management.
- **Government alignment:** Supports the initiatives of the UAE Government.

Furthermore, the DIFC has partnered with the Abu Dhabi Global Market as an institutional member of the 'Sustainable FinTech Alliance', launched by the MENA Fintech Association on January 17, 2022¹⁸. Members of the Alliance commit to implementing credible and transparent sustainable strategies in their organizations to support the UNSDG and net zero commitments. The 'Middle East Free Trade Area Initiative' is collaborating with the DIFC to create an educational program for members, aimed at helping them fulfil their sustainability and climate-related goals.

¹⁸ <https://www.difc.ae/whats-on/news/mena-fintech-association-launches-sustainable-fintech-alliance>

DIVING BACK TO INDIA

The RBI's Annual Report for the FY 2024¹⁹ emphasizes the urgent need for *international collaboration to address the multifaceted challenges posed by climate change, cybersecurity threats, cryptocurrencies, and the rapid advancements in FinTech and technology*. The report advocates for the adoption of global best practices in regulatory innovation within fintech hubs. These include nurturing environments for emerging fintech companies, providing grants for ESG financing, and implementing risk-based regulatory frameworks to streamline business processes, ensure financial stability, and promote innovation. The *synergy in Regulatory Frameworks overseen by the RBI, SEBI, and IFSCA* to bolster technological advancement and the evolution of the global fintech ecosystem shall be laid emphasis upon. The pivotal role of regulatory sandboxes, RegTech, and the contributions of fintech unicorns are key factors in shaping the future of financial services. Innovations such as app-based banking, online peer-to-peer lending, digital currencies, and electronic payment systems exemplify the practical applications of fintech innovation and represent the direction of progress in the sector.

CONCLUSION

Exploring the Evolution of Fintech Regulatory frameworks: Challenges and Strategies for unveiling New Opportunities

As fintech companies expand across regions, they encounter a patchwork of regulatory environments that can be intricate and demanding in terms of resources. The sector is witnessing *an increasing need for professional's adept in cutting-edge technologies like AI and blockchain*, and the scarcity of such talent could slow down the pace of innovation and expansion. While *robust infrastructure* is recognized as a key feature of leading fintech hubs, *ongoing investment* is crucial to keep pace with swift technological progress and to stay competitive.

With the growing dependence on digital platforms, cybersecurity and the preservation of digital trust are of utmost importance. Fintech firms must commit to strong security practices to safeguard against cyber threats and data breaches. Additionally, the *emergence of ESG considerations* brings both prospects and challenges. Fintech companies are required to embed sustainability into their business strategies and offerings to align with regulatory and consumer expectations. Further, a new profession of 'cybersecurity' must be developed, with competence in internal audit, management controls, risk management and information technology, to deal with the emergence of cyber risks in a GFCs.

While external elements like *global economic uncertainties* and *geopolitical tensions* can influence market stability and investor sentiment, potentially affecting the funding and growth opportunities for the fintech industry, implementing robust risk management frameworks can help identify, assess, and mitigate potential risks arising from such instabilities.

¹⁹ <https://www.rbi.org.in/Scripts/AnnualReportPublications.aspx?year=2024>

Viksit Bharat @2047: Role of IFSCA in Driving India's Economic Growth

India's ambition to become a developed nation by 2047, envisions India as a fully developed nation by the time it celebrates 100 years of independence that encompasses multifaceted objectives, including sustainable economic growth, technological innovation, inclusive development, and robust financial systems. This vision is rooted in the recognition that a strong and dynamic financial sector is essential for capital mobilization, efficient allocation of resources, and fostering innovation across industries. To achieve this vision, India must enhance its financial infrastructure, attract global investments, and integrate itself more deeply into the global financial system. This is where the IFSCA plays a pivotal role.



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INTRODUCTION

India, with its rich history, diverse culture, and robust economic potential, has set an ambitious goal for itself: to become a developed nation by 2047, marking the centenary of its independence. The vision of a “Viksit Bharat” (Developed India) emerges as a guiding light for policy makers, businesses, and citizens alike. A crucial player in this journey is the International Financial Services Centres Authority (IFSCA), which has the mandate to develop and regulate financial services, financial products, and financial institutions in the International Financial Services Centres (IFSCs) in India. The International Financial Services Centres Authority (IFSCA) stands at the forefront of this transformation, with the potential to drive significant economic growth and elevate India to a status of leading global financial powerhouse.

THE VISION OF VIKSIT BHARAT @2047

India's ambition to become a developed nation by 2047, envisions India as a fully developed nation by the time it celebrates 100 years of independence that encompasses multifaceted objectives, including sustainable economic growth, technological innovation, inclusive development, and robust financial systems. This vision is rooted in the recognition that a strong and dynamic financial sector is essential for capital mobilization, efficient allocation of resources, and fostering innovation across industries.

To achieve this vision, India must enhance its financial infrastructure, attract global investments, and integrate itself more deeply into the global financial system. This is where the IFSCA plays a pivotal role. By creating a conducive environment for international financial services and products, the IFSCA is dignified to drive significant economic growth.

THE GENESIS OF INTERNATIONAL FINANCIAL SERVICES CENTRES AUTHORITY (IFSCA)

The International Financial Services Centres Authority (IFSCA) was established in April 2020 under the International Financial Services Centres Authority Act, 2019. Its mandate is to develop and regulate the financial services market in the International Financial Services Centres (IFSCs) in India. **GIFT City (Gujarat International Finance Tec-City) in Gandhinagar, Gujarat, is the first operational IFSC in India** and represents a strategic initiative to attract global financial services and businesses.

The IFSCA is a unified authority for the development and regulation of financial products, financial services and financial institutions in the International Financial Services Centre (IFSC) in India. At present, the GIFT IFSC is the maiden international financial services centre in India. Prior to the establishment of IFSCA, the domestic financial regulators, namely, Reserve Bank of India (RBI), Securities & Exchange Board of India (SEBI), Pension Fund Regulatory Development Authority of India (PFRDA) and Insurance Regulatory Development Authority of India (IRDAI) regulated the business in IFSC.

As the dynamic nature of business in the IFSCs requires a high degree of inter-regulatory coordination within the financial sector, the IFSCA has been established as a unified regulator with a holistic vision in order to promote ease of doing business in IFSC and provide world class regulatory environment.

OBJECTIVES AND FUNCTIONS OF IFSCA

The International Financial Services Centres Authority (IFSCA) is dedicated to establishing India as a premier global hub for financial services. To achieve this, IFSCA focuses on several key objectives:

1. **Regulatory Excellence:** IFSCA aims to develop a robust and transparent regulatory framework that aligns with international best practices. By doing so, it ensures that the financial services provided within India's International Financial Services Centres (IFSCs) meet global standards, thereby attracting international stakeholders and fostering trust in the Indian financial system.
2. **Innovation and Competitiveness:** The authority is committed to fostering innovation in financial products and services. By encouraging the development of cutting-edge financial technologies and services, IFSCA enhances the competitiveness of Indian financial markets. This not only boosts the efficiency and attractiveness of the financial ecosystem but also elevates India to a status of leader in financial innovation.
3. **Investor Protection:** Ensuring investor protection is a cornerstone of IFSCA's regulatory approach. Through stringent regulations and robust enforcement mechanisms, the authority safeguards investors' interests, thereby enhancing confidence in the Indian financial markets. This protection is crucial for attracting and retaining both domestic and international investors.
4. **Sustainable Development:** IFSCA promotes sustainable and inclusive growth by integrating environmental, social, and governance (ESG) principles into its regulatory framework. This focus on ESG ensures that financial activities within IFSCs contribute to broader societal goals, including environmental sustainability, social responsibility, and ethical governance.
2. **International Bullion Exchange:** The IFSCA has launched the International Bullion Exchange, which allows for the trading of gold and other precious metals. This initiative positions India as a major player in the global bullion market and provides a platform for international investors to trade in a transparent and regulated environment.
3. **Fintech Regulatory Sandbox:** To promote innovation, the IFSCA has introduced a fintech regulatory sandbox. This initiative allows fintech startups to test their products and services in a controlled environment under the supervision of the IFSCA. The sandbox provides a platform for experimentation and helps in identifying and addressing regulatory challenges faced by fintech companies.
4. **Green Finance:** The IFSCA is committed to promoting sustainable finance and has launched initiatives to attract investments in green projects. It encourages the issuance of green bonds and facilitates the development of financial products that support environmental sustainability. By promoting green finance, the IFSCA contributes to India's efforts to combat climate change and achieve its sustainable development goals.
5. **Education and Training Programs:** To build a skilled workforce, the IFSCA conducts various education and training programs. These programs are designed to enhance the knowledge and skills of professionals in the financial services sector. The IFSCA collaborates with academic institutions, industry associations, and international organizations to provide high-quality training and certification programs.

By achieving these objectives, IFSCA aims to create a dynamic and resilient financial ecosystem that supports India's economic growth and establishes the country as a global financial services hub.

KEY INITIATIVES BY IFSCA

To fulfill its mandate and contribute to India's economic growth, the IFSCA has undertaken several key initiatives. Some of the notable ones include:

1. **IFSC Banking Units (IBUs):** The IFSCA has facilitated the establishment of IFSC Banking Units (IBUs) within the IFSCs. These units operate as branches of Indian and foreign banks and offer a wide range of financial services, including offshore banking, trade finance, and asset management. The presence of IBUs enhances the financial capabilities of the IFSCs and attracts global clients.

DRIVING ECONOMIC GROWTH THROUGH IFSCs

The International Financial Services Centres Authority (IFSCA) has emerged as a pivotal institution in driving India's economic growth through the development of International Financial Services Centres (IFSCs). As IFSCA continues to shape the landscape of financial services in India, it faces several challenges and opportunities that will define its future trajectory.

ATTRACTING GLOBAL CAPITAL AND TALENT

The establishment of IFSCs under the aegis of IFSCA is instrumental in attracting global capital and talent to India. By offering a competitive regulatory environment, tax incentives, and world-class infrastructure, IFSCs are poised to become magnets for international financial institutions, investors, and professionals.

- **Capital Inflows:** IFSCs facilitate the inflow of foreign direct investment (FDI), portfolio investments, and other forms of capital, contributing to the deepening of financial markets and increasing the availability of funds for economic development.

- **Talent Pool:** The presence of global financial institutions creates opportunities for Indian professionals to gain international exposure and expertise, fostering a skilled workforce capable of driving innovation and growth.

ENHANCING FINANCIAL INCLUSION AND INNOVATION

IFSCA's regulatory framework is designed to promote financial inclusion and innovation, crucial for sustainable economic growth.

- **Inclusive Banking:** By encouraging the establishment of diverse banking entities, including those focused on microfinance and fintech solutions, IFSCs can enhance access to financial services for underserved populations and sectors.
- **Fintech Ecosystem:** The support for fintech initiatives within IFSCs drives technological advancements in financial services, leading to more efficient, accessible, and customer-centric solutions.

STRENGTHENING INDIA'S POSITION IN GLOBAL TRADE AND FINANCE

IFSCs are positioned to enhance India's role in global trade and finance by providing a platform for international financial transactions and services.

- **International Trade:** IFSCs facilitate international trade finance, currency exchange, and cross-border transactions, supporting India's trade activities and integration into the global economy.
- **Financial Services Hub:** By hosting a range of financial services, including banking, insurance, asset management, and capital markets, IFSCs contribute to making India a global financial services hub, attracting businesses and investments from around the world.

OPPORTUNITIES FOR COMPANY SECRETARIES IN THE EVOLVING LANDSCAPE

1. Expanding Roles and Responsibilities

The growth and evolution of International Financial Services Centres (IFSCs) under the guidance of the International Financial Services Centres Authority (IFSCA) create significant opportunities for Company Secretaries (CS) to expand their roles and responsibilities.

- **Regulatory Compliance:** CS professionals will play a critical role in ensuring that organizations operating within IFSCs comply with IFSCA's stringent regulatory requirements. This includes strict adherence to licensing norms, prudential standards, and robust corporate governance

The growth and evolution of International Financial Services Centres (IFSCs) under the guidance of the International Financial Services Centres Authority (IFSCA) create significant opportunities for Company Secretaries (CS) to expand their roles and responsibilities.

practices. The IFSCA's regulatory framework is designed to align with international best practices, ensuring that IFSCs maintain high standards of transparency and accountability. CS professionals, with their expertise in regulatory compliance and governance, will be pivotal in guiding organizations through these requirements, thus helping to maintain the integrity and credibility of IFSC operations.

- **Corporate Governance:** The emphasis on corporate governance within IFSCs provides a fertile ground for CS professionals to contribute significantly. CS professionals will be instrumental in advising boards and management on best practices in governance, risk management, and compliance. Their role will extend beyond traditional compliance tasks to strategic advisory services, where they can provide insights into optimizing operational efficiencies and capitalizing on emerging opportunities within the IFSC ecosystem. By fostering a culture of good governance, CS professionals will help IFSCs attract international businesses and investors, thereby enhancing their global competitiveness.
- **Strategic Advisory:** CS professionals can leverage their expertise to provide strategic advisory services tailored to the unique needs of organizations within IFSCs. This includes navigating the complex regulatory landscape, optimizing operational processes, and identifying strategic growth opportunities. By offering specialized advice on financial structuring, mergers and acquisitions, and risk management strategies, CS professionals can help IFSC-based entities enhance their operational effectiveness and achieve sustainable growth.

2. New Avenues for Professional Growth

The dynamic environment of IFSCs offers numerous avenues for professional growth and development for CS professionals.

- **International Exposure:** Working within IFSCs provides CS professionals with exposure to international financial practices, regulatory



standards, and business environments, enhancing their skills and global competence.

- **Specialization Opportunities:** The diverse range of financial services and innovative products within IFSCs allows CS professionals to specialize in areas such as fintech, investment banking, compliance, and corporate governance.
- **Networking and Collaboration:** The concentration of global financial institutions and professionals within IFSCs fosters networking and collaboration opportunities, enabling CS professionals to build valuable relationships and expand their professional networks.

3. Contribution to National Development

By actively participating in the growth and governance of organizations within IFSCs, CS professionals contribute to the broader goal of national development.

- **Economic Growth:** Through their roles in ensuring regulatory compliance, fostering good governance, and advising on strategic initiatives, CS professionals help organizations operate efficiently and effectively, driving economic growth and development.
- **Skill Development:** The involvement of CS professionals in IFSCs contributes to the

development of a skilled and knowledgeable workforce, capable of supporting India's vision of becoming a global financial powerhouse.

- **Social Impact:** By promoting financial inclusion and supporting initiatives aimed at underserved populations, CS professionals contribute to social well-being and inclusive development, aligning with the vision of Viksit Bharat.

CHALLENGES AND THE WAY FORWARD

CHALLENGES

1. Regulatory Harmonization:

One of the primary challenges facing IFSCA is ensuring regulatory harmonization between itself and other domestic regulators. Given the unique regulatory environment of IFSCs, it is crucial to coordinate and integrate regulations to avoid overlaps and conflicts. This harmonization is essential for creating a seamless and attractive regulatory framework that encourages international players to establish operations within IFSCs.

2. Global Competitiveness:

Enhancing the global competitiveness of Indian financial markets is another significant challenge. While IFSCA has made strides in creating a conducive environment for financial activities, maintaining and

improving this competitiveness requires continuous effort. This includes streamlining regulations, reducing bureaucratic hurdles, and enhancing the ease of doing business within IFSCs. By doing so, IFSCA can attract more international players and investments, thereby bolstering India's position as a global financial hub.

3. Infrastructure Development:

Continuous development of world-class infrastructure within IFSCs, particularly in Gujarat International Finance Tec-City (GIFT City), remains a critical challenge. Infrastructure such as office spaces, connectivity, and supporting amenities must keep pace with the growing demands of financial institutions and service providers. This development is essential to support the expansion of financial services and attract global players looking for state-of-the-art facilities.

4. Talent Acquisition:

Attracting and retaining top talent in the financial sector is crucial for IFSCA. The availability of skilled professionals who can drive innovation and growth is essential for the sustainable development of IFSCs. IFSCA must collaborate with educational institutions and industry bodies to foster talent development programs and create a conducive environment that encourages professionals to work within IFSCs.

STRATEGIC INITIATIVES FOR THE FUTURE

In order to leverage emerging opportunities and address anticipated challenges, IFSCA has the potential to implement several strategic initiatives:

1. **Strengthening Regulatory Framework:** IFSCA should aim to fortify its regulatory framework to align with global standards, while maintaining the flexibility necessary to accommodate the introduction of innovative financial products and services. This initiative is crucial for enhancing the role of CS professionals in facilitating transparent and efficient corporate operations.
2. **Promoting Sustainable Finance:** IFSCA intends to establish a comprehensive framework for sustainable finance, encompassing guidelines for green bonds, ESG (Environmental, Social, and Governance) investments, and sustainability reporting. By promoting environmentally and socially responsible financial practices, IFSCA seeks to attract investments that support long-term sustainable development goals and CS professionals can support companies in achieving their sustainability goals by enhancing shareholder value.
3. **Fostering Global Collaborations:** IFSCA should enhance its collaborations with international financial institutions, regulatory bodies, and industry associations to facilitate knowledge exchange and expand market access. These partnerships

are essential for promoting best practices in financial regulation and fostering a globally integrated financial ecosystem that benefits all stakeholders.

4. **Enhancing Digital Infrastructure:** IFSCA to plan to invest in cutting-edge digital infrastructure to bolster fintech innovations, strengthen cybersecurity measures, and facilitate efficient financial transactions. This initiative underscores IFSCA's commitment to embracing technological advancements that enhance operational efficiency and safeguard the integrity of financial transactions. By leveraging technology, CS professionals can streamline corporate secretarial functions and ensure the security and integrity of corporate data.
5. **Talent Development Programs:** IFSCA should implement talent development programs in collaboration with educational institutions and industry bodies to cultivate a pipeline of skilled professionals. By equipping the workforce with specialized knowledge and expertise, IFSCA aims to meet the evolving demands of the international financial marketplace and support sustainable economic growth.

These strategic initiatives collectively underscore the strategic growth and scope of CS professionals in driving corporate governance excellence and supporting sustainable business practices. By pursuing these initiatives, CS professionals can strengthen their role as key contributors to corporate success, promote transparency and accountability, and enhance their value proposition in the global marketplace.

CONCLUSION

The International Financial Services Centres Authority (IFSCA) plays a pivotal role in driving India's economic growth, aligning closely with the vision of Viksit Bharat @2047. By fostering a robust and dynamic financial ecosystem, promoting innovation, and enhancing global integration, IFSCA significantly contributes to India's journey towards becoming a developed nation. With strategic initiatives and a forward-looking approach, IFSCA is poised to lead India into a new era of financial prosperity and sustainable development. By addressing the challenges and leveraging the opportunities, IFSCA and CS professionals together can play a crucial role in realizing the vision of a developed and prosperous India by 2047.

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Guidance for Handholding Startups

A startup may start in a small way with big aspirations, but the actual sustainability of the business lies primarily on the nature of innovation in the product or service the startup desires to provide, its ability to create a place for itself in the emerging market, having regard to current and future needs of its prospective customers, and being able to do the same in compliance with the law.



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INTRODUCTION

No doubt, in order to be considered as a “startup”, at the least, there must be some innovation and use of technology to scale up. The startups should have a clear road map covering at least the major aspects like ideation, valuation, proof of concept, business entity formation, initial capital infusion, intellectual property rights, etc.

Obstacles and debacles are usual in every business. In today's highly competitive world, inventions, innovations and technological advancements could impact the business model seriously and sometimes suddenly. The question is whether a founder/promoter of a startup would have sufficient time and people to understand, appreciate, and detect the factors responsible for the same and if necessary, redefine the business model that helps them to overcome obstacles and avoid debacles.

The founders /promoters of startups may not always be in a position to make reasonable estimates of costs and revenue and therefore there would be limitations to their financial plans. Making aggressive representations about business prospects will certainly result in over-valuations. It is also necessary to ensure that the possible gap between the revenue projections they estimate and the actuals at the end of a period should not be very wide and erratic. In short, it is not necessary to be too conservative; however, it is necessary to apply sufficient thought and be sensitive to the possibility of failing to factor certain factors which may play a spoilsport. It would always be prudent to bear in mind that the funds in hand at a particular stage may burn out faster than what was estimated. Therefore,

projections must be realistic and from time to time, the founders /promoters, officers, investors, and experts must meet and do a structured review to do course corrections if needed. Only when the progress is reviewed at frequent intervals, preferably at least once in every quarter, the startups will be able to analyse where do they stand and how could things be made better.

Raising capital may not be a difficult issue. But choosing the right form of raising funds is more important. Although it is commendable to get by without raising capital and have a bootstrapped business, it may not always be possible nor would it be the right strategy in every case. Therefore, whether to raise funds from external sources and whether it must be equity or debt or both is a matter to be decided after proper deliberations.

A startup may start in a small way with big aspirations, but the actual sustainability of the business lies primarily on the nature of innovation in the product or service the startup desires to provide, its ability to create a place for itself in the emerging market, having regard to current and future needs of its prospective customers, and being able to do the same in compliance with the law.

Any present-day investor looks for a clear vision, innovation, talent resources, and the ability of the existing business to maintain and develop stakeholders' relationships, going one step ahead with environmental, social, and governance (ESG) aspects.

In today's vigilant and educated environment, investors, customers, and other stakeholders prefer eco-friendly products and services and sustainable business models to be associated with them. This has especially made founders/promoters look beyond capitalization and factor in sustainability aspects too as part of the revenue model of the business.

By leveraging the expertise and experience of seasoned professionals, founders/promoters can significantly increase their chances of success and build a robust foundation for their startup. Professional guidance of Company Secretaries, who practice in the field of incorporating entities, ensuring governance and compliance, etc can provide startups with the knowledge, skill, and resources required to navigate the complexities of starting and growing a business and thereby act as a guiding star and hand hold the entrepreneurs to ensure they move in the right direction. There are several major areas where qualified professionals like Company Secretaries could play an important role.

Stages And Pillars

Broadly there are just three stages – ideation and initiation, gaining momentum and course correction, scaling geographically, horizontally, vertically, or otherwise, by introducing new products/services or introducing new uses for the same product or services. It is pertinent to bear in mind that analysis of the third stage at the first stage itself is very important, subject to sufficient infusion of resources, both financial and non-financial.

There are four pillars for the growth of any startup, namely; People, Products & Services, Property and Performance Review. The first pillar, “People” involves defining the requirement of recruiting human capital, their profile and level, and hiring individuals with the right talent and skills. The second pillar, “Products & Services” involves understanding the market needs, emerging trends, technological advancements, cost & time for delivering, availability of capital, scalability, setting the boundaries, etc. The third pillar, “Property” includes both tangible and intangible property. Often, startups do not apply sufficient thought on property secured through intellectual property rights. The last pillar, “Performance Review” is the most important pillar of the four, as it basically means to review periodically the aforementioned three pillars.

Focus Points

Startups need to spend considerable time understanding the needs of the business and the promoters/founders to create a reliable support system in the following five major areas:

1. Choosing the right type of business entity formation;
2. Appropriate processes for ensuring compliance with provisions of various applicable laws and installing a good governance framework;
3. Contracts and Arrangements for protecting and promoting the interests of the Startup, including protecting its intellectual property rights;
4. Timely fundraising from external sources;
5. Proper dispute resolution mechanism.

BUSINESS ENTITY FORMATION

Starting a business is no different than planting and nurturing a tree. From sowing the seeds to bearing the fruit, the journey is not a short one. Similarly, businesses too need time, environment, care, and support to grow and thrive. When starting a business, one of the first things the founders/promoters must do is to select a suitable type of business entity. This decision to identify the right form of business entity emerges from the ability of the promoter to foresee his/ her business objectives or scale of operations.

Professionals advising founders/promoters of startups have to spend considerable time understanding the needs of businesses and advising them on a suitable form of

Broadly there are just three stages – ideation and initiation, gaining momentum and course correction, scaling geographically, horizontally, vertically, or otherwise, by introducing new products/services or introducing new uses for the same product or services. It is pertinent to bear in mind that analysis of the third stage at the first stage itself is very important, subject to sufficient infusion of resources, both financial and non-financial.

business entity. It involves a thorough consideration of subjects such as the products and services proposed to be created/designed and offered, capital to be infused, milestones and timelines, people and geography, and size and scale. It is the responsibility of the professionals to completely understand the requirements of the founders / promoters of startups before suggesting the most suitable form of business entity.

Generally, it is suggested that the founders/promoters opt for the entity type that does not require much legal compliance so that they can concentrate on building the business. Later, it could be converted into a bigger entity such as a company that has considerable compliance requirements. Company Secretaries not only guide in choosing the best form of business entity, but also help in obtaining various licenses, registrations, etc. and further aid the founders/promoters in understanding various exemptions/ grants given by the government for each business.

It is undeniable that determining the right business entity structure and framework will allow the business to run efficiently and achieve the objectives for which it was primarily formed.

COMPLIANCES AND GOVERNANCE

Good governance can help the startup boost its reputation, retain its employees, reduce legal risks, and drive its growth. Moreover, every startup should strive to enhance its governance and adopt practices, principles, and processes that foster an ethical, effective, transparent, and legitimate business structure. Startups with good governance structures attract better investments as risks arising from non-compliances will not be significant. Additionally, complying with the law and maintaining proper books of accounts can facilitate smooth and timely third-party due diligence in case of any fund raising.

Selecting Board room tasks (See Note 1) plays an important role. Board room tasks are chosen on the basis of (a) the fundamental understanding of the founders / promoters; (b) the Applicable law; and (c) memorandum



and articles of association or partnership agreements or other charter documents.

Note 1: Board Room Tasks

While in the beginning everything may be decided at the Board level, it would be useful to keep certain things at the Board Level only.

The following are some of the important subjects that could be considered as Board Room Tasks: -

- Capital infusion
- Decision about the Debt or Equity or a mix
- Hiring KMPs/SMPs
- Policies
- Joint Ventures / Partnerships
- Relevant market determination
- Committees and charters
- Contracts and Arrangements,
- Product life cycle assessment
- Review of performance of People, Products and Properties
- Review of Policies
- Products/ Services to be added /discontinued / modified
- Financial Statements
- Contraventions and remedies
- Disputes resolutions
- Closure/winding up
- Sale of business /units /undertakings

Compliance is not only essential, but also a matter of organizational culture. It helps in building a reputation around the entity. The cost of non-compliance is always very high and the procedure for resolution is often time-consuming. Persistent non-compliance could lead to fines and penalties besides leading to inquiries, inspections, and investigations. Ultimately, serious non-compliance may lead to an order for the winding up of the entity itself. There is a saying that if compliance is costly; try non-compliance. Proper, timely and complete compliance could be considered as Level 1 (minimum requirement) in order to be entitled to do business in any country and it involves identifying Applicable Laws.

FUND RAISING

It is very important to optimize the potential opportunities and startups need access to capital in order to achieve the same. Raising capital is typically one of the first issues a startup will need to address, and the ability to attract investors will play an important role in its ultimate success. Raising capital will enable the startup to scale up more quickly, enhance its valuation, gain credibility, attract talent, and enjoy relatively generous funding terms.

Each financing option has its own advantages and disadvantages. It is important for startups to carefully consider the options before choosing the best path forward. Not every founder/promoter would be aware of all the pros and cons of various funding options and the professionals play a very important role here in apprising the founder/promoter regarding the same. Professionals guide the founders/promoters through various stages and series of funding. They suggest the feasible debt-equity ratio, financing sources, and some would also be able to help the founders/promoters connect to the accelerators and incubators.



PROTECTING THE INTELLECTUAL PROPERTY RIGHTS

Intellectual Property Rights (IPR) are the intangible legal rights resulting from intellectual activity in industrial, scientific, literary & artistic fields. These rights safeguard the creators and other producers of intellectual goods & services by granting them exclusive rights for a specific period.

Innovation being a main criterion to be eligible to be registered as a startup, it is essential for the startup to work towards innovation or provide improvement to the existing products, services and processes and to have the potential to generate employment and create wealth. When a startup patents its inventions, the startup's value and fund raising possibilities increase significantly.

The four major categories of Intellectual property which predominantly affect startups are Patents, Trademarks, Copyrights, and Industrial Designs. As the technology, brand name, design, and creativity behind the concept etc., are worth protecting and the IPR paves the way for protecting it, the startups cannot miss out on this big area.

Investors will like to invest in a business that has a sound intellectual property strategy that safeguards their investment. Without adequate legal and contractual protection for IPR created or acquired or used by a startup, there would be a threat to the ability of the startup as it would be more vulnerable to infringement and could quickly lose its ground to its competitors.

By securing exclusive rights to their intellectual property, startups can prevent others from using, selling, or profiting from their ideas or creations without permission.

DISPUTE RESOLUTION

In the course of business, disputes may arise due to various reasons. Disputes arise even when the going is good. Disputes may arise on account of breach of covenants or obligations, undertaken by a person in terms of any contract to which he is a party. India has a time-tested law on contracts. Parties may choose remedies against breach of contract under the law relating to contracts.

Increasingly parties are resorting to Alternative Dispute Resolution methods, instead of going to court and commencing litigation against one another. With the establishment of Commercial Courts, we see a significant reduction in resolution time with regards to Commercial Disputes. At the same time, the Arbitration and Conciliation Act, 1996 has also witnessed substantial changes by introducing efficient methods for a speedy resolution of disputes.

In any case, it is desirable to sort out disputes and nip them in the bud so that the disputes do not grow into serious proportions. Mediation may also be resorted to by engaging seasoned and trained mediators so that the relationship does not grow from bad to worse and resolution happens in a cost-effective and time-efficient manner without leaving further scope for prolonged

litigation of several rounds, reaching up to the top court of the country.

Disputes may also arise due to differences of opinion amongst partners /shareholders/investors on account of delay in achieving the estimated numbers. Patience runs out as time runs out. It is always necessary to form and choose a business entity in which there is support from the applicable law for dispute resolution. For example, disputes amongst shareholders are resolved under company law by intervention of the National Company Law Tribunal (NCLT) which has benches across the country.

Disputes occur about ownership and control over assets, intellectual property rights, other properties, contracts, rights, and benefits. Apart from the above, there are number of reasons why disputes arise. Therefore, one must be careful and cautious in all his dealings and keep a clear divorce between personal transactions and business affairs.

In addition to this, disputes emerge in relation to financial obligations undertaken by a startup towards its creditors. Creditors may be financial creditors or operational creditors. Any default in repayment of any debt on the due date can be resolved by the creditor by initiating the corporate insolvency resolution process before the NCLT. If such situations are not handled seriously, the entity may change hands.

Resolution of disputes sometimes gets delayed on account of attachment of the founders/promoters to the business founded or grown by them. However, withdrawing from growing the dispute is an art learnt through experience. An unresolved dispute can remain as a thorn in the flesh unless it is resolved/ remedied at the earliest opportunity itself.

Company Secretaries could play a very crucial role in dispute resolution. They are entitled to represent the startup or any of its stakeholders before NCLT / NCLAT, and to act as Arbitrators / Mediators and bring about a resolution to the disputes.

SUBJECTS REQUIRING CONTINUOUS APPLICATION OF MIND

1. Determination of the organogram and command structure for driving the management of the affairs of the startup;
2. Defining the qualifications, skills, and experience of people to be hired and hiring the right talents and training the resources;
3. Defining the products and services and if there is a market, introduce new products and services;
4. Determining the relevant market (See Note 2) and looking out for opportunities for expanding the relevant market;
5. Use of technology (See Note 3) for offering products and services and deploying analytical tools for real

time delivery, cost reduction and monitoring the performance improvement and profit maximisation;

6. Exploring partnerships and associations for growth;
7. Review of qualitative and quantitative performance of people, products, partnerships and properties.

Note 2: Relevant Market

Identifying the relevant market for the products and services proposed to be offered by the startup is a major Board Room task. The relevant market for a startup refers to the specific segment of the overall market where the startup's products or services are targeted. It encompasses the geographic area and the customer base that the startup can effectively reach and serve, considering competition, demand, and market dynamics. Identification of relevant market aids in the following -

- Determining size of financial and non-financial resources;
- Timelines for spreading out;
- Regulatory and compliance needs;
- IPR Protection.

The identification or determination does not mean, right from the initiation, the products and services are going to be offered across the entire relevant market. Once the relevant market is identified, the startup should decide what extent of the relevant market the startup sees possibility for immediate presence and what is the timeline for growing the area of operation ultimately spreading out across the entire relevant market.


Note 3: Technology

Technological tools are necessary for achieving several crucial things:

- Technology itself is the driver;
- Technology as an enabler for;
 - a) Scaling up,
 - b) Quality and timely delivery,
 - c) Cost reduction and profit maximisation,
 - d) Market needs,
 - e) Regulatory needs.

CONCLUSION – THE MANTRAS FOR A STRONG FOUNDATION

Startups are advised to adopt the following five Mantras to lay a strong foundation:

1. Focus on the fundamentals and be wedded to core competencies.
2. Build a strong balance sheet.
3. Reduce the gap between actuals and projections.
4. Establish a strong compliance and governance culture.
5. Review yesterday's solutions, which may be the cause for today's problems, to quote Thomas Sowell. 

Embracing Technology: A Gateway to the Future of Practising Company Secretary

Technology refers to applying scientific knowledge, tools, and techniques to solve practical problems, create new products, or improve processes. It encompasses various fields and can be broadly categorized into various types, each serving different purposes and industries.



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"New Technology is not good or evil in of itself. It's all about how people choose to use it" -David Wong

INTRODUCTION

Technology refers to applying scientific knowledge, tools, and techniques to solve practical problems, create new products, or improve processes. It encompasses various fields and can be broadly categorized into various types, each serving different purposes and industries. Here are some key aspects and types of technology:

KEY ASPECTS OF TECHNOLOGY

Innovation: Technology often involves creating new products, services, or processes that improve efficiency, functionality, or user experience.

Application of Knowledge: It involves applying scientific principles and discoveries to develop practical solutions.

Tools and Machinery: Technology includes the development and use of tools, machines, and systems to perform tasks that would be difficult, time-consuming, or impossible to do manually.

Automation: Technology can automate repetitive tasks, reducing human effort and increasing accuracy.

Connectivity: It facilitates communication and interaction between people and systems, often through the Internet and digital platforms.

Advancement and Progress: Technology drives progress in various fields, including medicine, engineering, communication, transportation, and entertainment.

There could be various types of Technologies e.g. Information Technology (IT), Communication Technology, Biotechnology, Mechanical Technology, Electronic Technology, Energy Technology, Medical Technology, Nanotechnology, Environmental Technology, Transportation Technology

IMPACT OF TECHNOLOGY

Economic Growth: Technology drives economic development by creating new industries, jobs, and markets.

Quality of Life: Enhances the quality of life through advancements in healthcare, education, and everyday conveniences.

Globalization: Facilitates global communication and commerce, connecting people and businesses worldwide.

Efficiency: Increases efficiency in various sectors, from manufacturing to services, reducing costs and time.

Innovation and Creativity: Encourages innovation and creativity, leading to the development of new products and solutions to complex problems.

In summary, technology is a broad and dynamic field that encompasses various tools, systems, and methods used to solve problems and improve human life. Its continuous evolution impacts almost every aspect of modern society.

EMBRACING TECHNOLOGY IN PURSUING EXCELLENCE

Embracing technologies in pursuing excellence involves integrating advanced tools and innovations into various aspects of business, education, healthcare, and personal development to improve efficiency, effectiveness, and overall performance. Here are key areas where technology can be embraced to achieve excellence:

1. Business and Industry

- **Automation and AI:** Implementing AI and machine learning for predictive analytics, customer service (e.g., chatbots), and operational efficiency.
- **Data Analytics:** Leveraging big data to make informed decisions, understand market trends, and personalize customer experiences.
- **Cloud Computing:** Utilizing cloud services for scalable, flexible, and cost-effective IT solutions.

2. Education

- **E-Learning Platforms:** Using online learning management systems (LMS) to provide accessible and interactive educational content.
- **Digital Classrooms:** Integrating smart boards, tablets, and other digital tools to enhance interactive learning.
- **Tutors:** Employing AI-based tutoring systems for personalized learning experiences and support.

3. Healthcare

- **Telemedicine:** Offering remote consultations and medical advice through telehealth platforms.
- **Electronic Health Records (EHR):** Utilizing EHR for better patient data management and sharing among healthcare providers.
- **Medical AI:** Applying AI for diagnostics, treatment recommendations, and predictive analytics in patient care.

4. Personal Development

- **Self-Improvement Apps:** Using apps for mental health, fitness, and skill development (e.g., meditation apps, language learning apps).
- **Online Courses:** Enroll in MOOCs (Massive Open Online Courses) for continuous learning and skill enhancement.
- **Productivity Tools:** Leveraging tools like project management software and digital calendars to enhance personal and professional productivity.

HOW A PCS CAN PURSUE EXCELLENCE?

A Practising Company Secretary (CS) can pursue excellence by embracing technologies in various ways. Here are some strategies and tools that can be employed:

1. Digital Governance Platforms

Adopting Board Management Software: Tools like Diligent Boards or Board Effect can streamline board meeting processes, document management, and communication. These platforms ensure secure, efficient, and effective board governance.

E-Governance Tools: Using tools such as e-filing and e-forms for compliance management can save time and reduce errors.

2. Automation and AI

Automated Compliance Management: Implementing software that automates routine compliance tasks can ensure timely submissions and reduce the risk of penalties. Tools like ComplySci and Compliance Quest are examples.

AI for Document Review: AI-driven tools like Luminance can assist in reviewing contracts and legal documents, identifying potential issues quickly, and suggesting improvements.

3. Cloud Computing

Cloud Storage Solutions: Utilizing cloud storage (e.g., Google Drive, Dropbox) ensures that documents are securely stored, easily accessible, and backed up. This facilitates remote working and collaboration.

Cloud-based Accounting Software: Tools like QuickBooks Online or Xero can simplify financial management and reporting.

4. Data Analytics

Advanced Data Analytics Tools: Using data analytics tools such as Power BI or Tableau can help in analyzing compliance data, identifying trends, and making informed decisions.

Regulatory Technology (RegTech): Leveraging RegTech solutions like NICE Actimize or Pega Regulatory Compliance can help in monitoring regulatory changes and ensuring adherence to new requirements.

5. Cybersecurity

Implementing Strong Cybersecurity Measures: Using cybersecurity tools like anti-virus software, firewalls, and secure communication channels (e.g., encrypted emails) to protect sensitive data is crucial.

Regular Cybersecurity Training: Conduct regular training sessions for staff to ensure they are aware of the latest cybersecurity threats and best practices.

6. Collaboration Tools

Utilizing Collaboration Platforms: Tools such as Microsoft Teams, Slack, and Asana can improve communication and project management within the organization.

Virtual Meeting Platforms: Using platforms like Zoom or Microsoft Teams for virtual meetings can facilitate efficient communication and collaboration, especially for remote teams.

7. Continuous Learning and Professional Development

Online Learning Platforms: Enroll in courses on platforms like Coursera, edX, or Udemy to stay updated with the latest developments in corporate governance, compliance, and technology.

Webinars and Online Conferences: Participating in webinars and online conferences hosted by professional bodies and technology providers to gain insights into new tools and best practices.

8. Legal Tech

Legal Research Tools: Using tools like LexisNexis or Westlaw for efficient legal research and staying updated with the latest legal precedents and changes.

Document Automation: Tools like Contract Express can automate the drafting of standard documents, reducing time and improving accuracy.

9. Blockchain Technology

Implementing Blockchain for Transparency: Using blockchain technology to maintain transparent and tamper-proof records, which can be particularly useful for audit trails and compliance documentation.

Smart Contracts: Leveraging smart contracts to automate and enforce contractual obligations without the need for intermediaries.

10. Client Relationship Management (CRM) Tools

CRM Software: Tools like Salesforce or Zoho CRM can help in managing client relationships, tracking interactions, and improving service delivery.

By leveraging these technologies, Practising Company Secretaries can enhance their efficiency, ensure better compliance, improve decision-making, and ultimately achieve excellence in their professional practice. Continuous adaptation and learning are key to staying ahead in the rapidly evolving technological landscape.

WHY USE OF TECHNOLOGY IS NECESSARY?

The use of technology is necessary for several compelling reasons, impacting various aspects of personal life, business, and society at large. Here are some key reasons why technology is essential:

- **Increased Efficiency and Productivity**

Technology automates repetitive and time-consuming tasks, freeing up human resources for more complex and creative activities. Processes are completed faster with the help of technology, from manufacturing to data processing. It reduces human error, ensuring higher accuracy in tasks like calculations, data entry, and quality control.

- **Improved Communication**

Technology facilitates instant communication across the globe through emails, messaging apps, and video conferencing. It enables collaboration in real-time, regardless of geographic location, enhancing teamwork and project management. Makes it easier to share and disseminate information quickly and efficiently.

- **Enhanced Learning and Education**

It provides access to vast amounts of information and resources online, supporting self-learning and

Embracing technologies in pursuing excellence involves integrating advanced tools and innovations into various aspects of business, education, healthcare, and personal development to improve efficiency, effectiveness, and overall performance.

research. Facilitates remote learning and access to educational content through online courses, virtual classrooms, and digital libraries. It engages students through interactive tools like educational apps, simulations, and multimedia content.

- **Economic Growth and Job Creation**

Technology drives the creation of new industries and markets, such as IT, biotechnology, and renewable energy. It generates employment in various sectors, including tech development, digital marketing, cybersecurity, and data analysis. It encourages innovation and entrepreneurship, leading to the development of new products and services.

- **Enhanced Quality of Life**

It Improves medical care through advanced diagnostic tools, treatments, telemedicine, and health monitoring devices. It enhances daily life with smart home devices, online shopping, digital entertainment, and transportation apps. It Assists people with disabilities through assistive technologies like screen readers, hearing aids, and mobility devices.

- **Sustainability and Environmental Protection**

It advances in technology make renewable energy sources like solar and wind power more viable and efficient. It improves resource management and reduces waste through smart grids, precision agriculture, and water purification systems. It develops technologies for pollution control, waste recycling, and emission reduction, contributing to a cleaner environment.

- **Globalization and Connectivity**

It facilitates international trade and commerce through global supply chains, e-commerce platforms, and logistics management. It Promotes cultural exchange and understanding by providing access to diverse perspectives and content from around the world. It Connects people through social media platforms, fostering global communities and networks.

- **Innovation and Problem-Solving**

It advances research and development in various fields, leading to breakthroughs and innovations. It provides



tools and methodologies to solve complex problems, such as big data analytics, AI, and machine learning. It helps societies adapt to changes and challenges, such as pandemics, climate change, and technological disruptions.

- **Faster Decision Making**

With technologies such as artificial intelligence and machine learning, it has become easier than ever to handle large volumes of data and make crucial business decisions based on the insights derived from the data. Further, it adds accuracy to the decision-making process as it reduces the scope of errors from manual operations.

- **Cost and Time-Saving**

Since machines are way faster than humans, certain tasks that may require an incredible amount of manual work and attention to detail can be easily accomplished with the help of technology.

Further, the use of technology in certain areas can also help save significant costs. For instance, transitioning to digital communication from paper-based communication and engaging machines in tasks that might take a lot more time to complete can help save costs.

CHALLENGES POSED BY TECHNOLOGY

While the use of technology offers numerous benefits to Practising Company Secretaries (CS), it also presents

several challenges. These challenges can impact their efficiency, compliance, and overall effectiveness. Here are some key challenges:

1. Cybersecurity Threats

Sensitive corporate data, including financial records and personal information, is at risk of being compromised.

Company Secretaries might be targeted by phishing attacks, leading to unauthorized access to sensitive information.

The threat of ransomware attacks can disrupt operations and compromise data integrity.

2. Data Privacy and Compliance

Keeping up with data protection regulations like GDPR, CCPA, and others can be challenging. Ensuring the proper handling, storage, and disposal of data to maintain privacy and compliance.

3. Integration of Technology

Integrating new technology with existing systems and software can be complex and time-consuming. Ensuring different technologies and platforms work seamlessly together is often a technical challenge.

4. Cost of Implementation

High costs associated with purchasing and implementing new technology can be a barrier,

especially for smaller firms. Ongoing costs for maintenance, updates, and training can add up over time.

5. Skill and Training Requirements

Adopting new technology requires learning and adaptation, which can be time-consuming. Keeping up with rapid technological advancements necessitates continuous professional development and training.

6. Resistance to Change

Resistance from employees and stakeholders who are accustomed to traditional methods can hinder the adoption of new technology. Effectively managing the transition to new technological systems requires careful planning and execution.

7. Reliability and Dependability

System downtimes, bugs, and technical failures can disrupt workflow and reduce productivity. Over-reliance on technology can be problematic if there are issues with internet connectivity, power supply, or system failures.

8. Legal and Ethical Considerations

Ensuring that the use of technology complies with all relevant laws and regulations can be complex. Balancing the benefits of technology with ethical considerations, such as surveillance and employee privacy, can be challenging.

9. Data Overload

The ability to manage and make sense of large volumes of data effectively can be overwhelming. Ensuring that data-driven decisions are accurate and relevant requires sophisticated analytical tools and skills.

10. Vendor Dependence

Dependence on third-party vendors for technology solutions requires trust in their reliability and security measures. The risk of becoming overly dependent on a single vendor makes it difficult to switch providers if needed.

11. Legal and Regulatory Changes

Staying current with changing laws and regulations related to technology use can be demanding. Adjusting existing systems and processes to comply with new regulations involves significant effort.

Mitigation Strategies

- Implement robust cybersecurity measures, including firewalls, encryption, and regular security audits.
- Provide ongoing training to ensure all team members are up-to-date with the latest technology and security practices.

- Develop and execute effective change management strategies to ease the transition to new technologies.
- Carefully evaluate technology vendors for reliability, security, and support services.
- Establish clear data governance policies to manage and protect data effectively.
- Regularly monitor and review compliance with relevant laws and regulations to avoid legal pitfalls.

By recognizing and addressing these challenges, Practicing Company Secretaries can more effectively leverage technology to enhance their efficiency, accuracy, and overall service delivery.

CONCLUSION

Technology is not just a luxury but a necessity in modern society. It drives efficiency, fosters communication, enhances learning, supports economic growth, improves quality of life, promotes sustainability, facilitates globalization, and enables innovation. By integrating technology into various aspects of life and work, individuals and organizations can achieve greater success, adaptability, and resilience in an ever-evolving world.

To effectively leverage technology, a Practicing Company Secretary needs a comprehensive set of resources, including robust hardware, specialized software, continuous training, technical support, and clear governance policies. Investing in these resources not only enhances efficiency and compliance but also positions the PCS to better manage the dynamic requirements of their role in a technologically evolving landscape.

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**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)

ICSI INTERNATIONAL ADR CENTRE : DELIVERING JUSTICE AMICABLY

The Institute of Company Secretaries of India (ICSI) with the intent to facilitate Arbitration, Mediation and Conciliation at National and International level, established its first ICSI International ADR Centre at Noida (U.P.).

The ICSI International ADR Centre was inaugurated at the hands of Hon'ble Mr. Justice P. Sathasivam, Former Chief Justice of India and Former Governor of Kerala at ICSI House, C-36, Institutional Area, Sector - 62, Noida (U.P.) on 29th February, 2024.

To promote Alternate Dispute Resolution (ADR) methods including Mediation, Conciliation and Arbitration to assist and educate all sections of Society, Individuals, Corporates, Firms, Institutions and Establishments (Local or International), the ICSI International ADR Centre at Noida has been created as a state-of-the-art facility with world-class infrastructure, advance Video Conferencing facility, top notch administrative facilities, etc.

As Governance Professionals, the Company Secretaries play a leading role in drafting of deeds and Memorandums on behalf of their companies and organisations. In view of the same and given the increasing benefits of arbitration in corporate dispute redressal, it is suggested that the following clause may be inserted in the Arbitration Clause during drafting of agreements, contracts and other relevant documents:

TO BE INSERTED IN ARBITRATION CLAUSE

“The place of arbitration shall be at ICSI International ADR Centre situated at ICSI House, C-36, Institutional Area, Sector - 62, Noida (U.P.)”

The above measure shall go a long way in strengthening the foundations of arbitration and supporting the judicial systems all while providing speedy justice and ease of doing business to India Inc.

Team ICSI

2

RESEARCH CORNER



- ALTERNATIVE INVESTMENT FUNDS – RECENT TRENDS, LIGHT-TOUCH TO COMPLIANCE INTENSIVE

Alternative Investment Funds – Recent Trends, Light-Touch to Compliance Intensive

AIFs are governed under SEBI (Alternative Investment Funds) Regulations, 2012 (as amended from time to time) ('SEBI AIFs Regulations') and plays crucial role in capital market, capital formation and growth of the Indian economy, catering to sophisticated investors. AIF industry is consistently growing over the years with Compound Annual Growth Rate (CAGR) of approximately 35% p.a. in last five years^[1]. Presently, more than 1350 AIFs are registered with SEBI^[2].



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INTRODUCTION

Alternative Investment Funds (AIFs) are privately pooled investment vehicles which collect funds from Indian and/or foreign investors and invests funds in a variety of assets non-traditional or alternative assets, including real estate, infrastructure, private equity, venture capital, commodities and may employ complex long-short strategies.

AIFs are governed under SEBI (Alternative Investment Funds) Regulations, 2012 (as amended from time to time) ('SEBI AIFs Regulations') and plays crucial role in capital

market, capital formation and growth of the Indian economy, catering to sophisticated investors. AIF industry is consistently growing over the years with Compound Annual Growth Rate (CAGR) of approximately 35% p.a. in last five years¹. Presently, more than 1350 AIFs are registered with SEBI².

AIFs form an integral part of the Private Equity (PE) and Venture Capital (VC) Industry in India.

AIFs can be registered as Trust, Company, LLP or Bodies Corporate. However, majority of the AIFs in India are registered as Trust.

AIF Industry is expected as one of the fastest growing as High-Net worth Individuals (HNIs) and ultra HNIs gets an option to generate better returns on their investments by investing in alternate/differentiated products.

In this article author have analyzed recent trends in AIFs and discussed on the shift of AIFs from light-touch to compliance intensive.

CATEGORIES OF AIFs

AIF industry is consistently evolving and growing, and comprises three categories – Category I, Category II and Category III AIFs as per SEBI AIFs Regulations. Category II AIFs have grown at a healthy pace. Majority of the AIFs are registered with SEBI are Category II AIFs.

Category I AIF	Category II AIF	Category III AIF
<ul style="list-style-type: none"> Invests in start-up or early-stage ventures or social ventures or SMEs or infrastructure or other areas which are considered socially or economically desirable by the government/ regulators. It also includes the following: <ul style="list-style-type: none"> Venture Capital Funds Small And Medium Enterprises Fund Social Venture Funds Social Impact Funds Infrastructure Funds Angel Funds Special Situation Funds Such other AIFs as may be specified by SEBI 	<ul style="list-style-type: none"> Funds for which no specific incentives or concessions are given by the government/ regulators. Do not undertake leverage/ borrowing other than to meet day to day operational requirements. It also includes the following: <ul style="list-style-type: none"> Private Equity Funds Debt Funds Other funds that are not classified as Category I or Category III 	<ul style="list-style-type: none"> Funds that trade with a view to make short term returns, employ diverse or complex trading strategies and may employ leverage including through investment in listed or unlisted derivatives. It also includes the following: <ul style="list-style-type: none"> Hedge Funds Such other funds which are open ended and for which no specific incentives or concessions are given by the government/ regulators.

¹ https://www.sebi.gov.in/sebi_data/meetingfiles/apr-2024/1713324885850_1.pdf

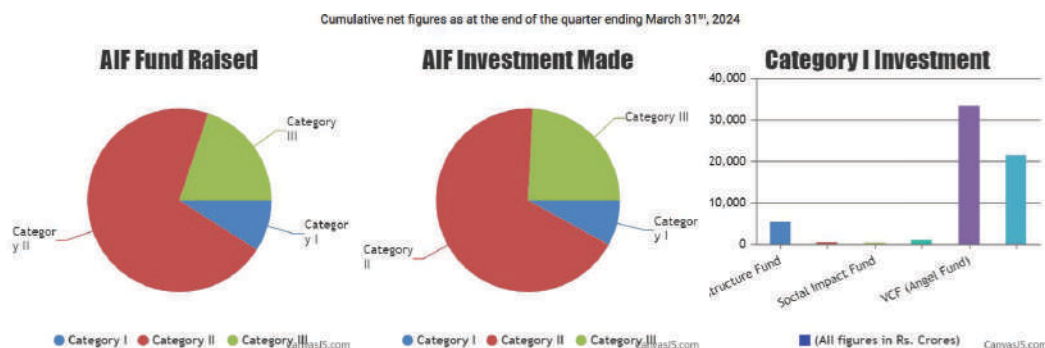
² <https://www.sebi.gov.in/sebiweb/other/OtherAction.do?doRecognisedFpi=yes&intmid=16>

- Category I and II AIFs are closed-ended funds.
- Category III AIFs can be open-ended or closed-ended funds.

RECENT TRENDS IN AIFs³

AIFs INDUSTRY'S RECORD-BREAKING INVESTMENT, COMMITMENT RAISED HAS CROSSED INR 11 TRILLION AND FUND RAISED MORE THAN INR 4 TRILLION AS ON 31 MARCH 2024 FOR THE FIRST TIME.

Data relating to activities of AIFs:



Data published by SEBI, reveals that as on 31 March 2024-

- Category I AIFs has raised approximately, INR 40,790.32 Crores
- Category II AIFs has raised approximately, INR 321,226.54 Crores
- Category III AIFs has raised approximately, INR 89,949.73 Crores

CATEGORY WISE INVESTMENT DETAILS

Below are the cumulative net figures as at the end of 31 March 2024.

Category of AIFs	Commitments Raised	Funds Raised	Investments Made
Category I			
Category I AIF - Infrastructure Fund	18,849.83	8,466.68	5,449.92
Category I AIF - SME Fund	1,169.25	713.87	624.31
Category I AIF - Social Impact Fund	2,119.94	734.52	452.93
Category I AIF - Special Situation Fund	1,371.50	1,166.31	1,068.35
Category I AIF - VCF (Angel Fund)	7,053.39	3,829.40	3,343.32
Category I AIF - Venture Capital Fund	46,301.15	25,879.55	21,583.84
Category I Total	76,865.07	40,790.32	32,522.67
Category II AIF	9,12,903.00	3,21,226.54	2,76,033.37
Category III AIF	1,45,132.03	89,949.73	98,490.74
Grand Total	11,34,900.10	4,51,966.59	4,07,046.78

Note: The above report is compiled on the basis of quarterly / monthly information submitted to SEBI by registered Alternative Investment Funds.

GRANULAR DETAILS OF INVESTMENTS IN AIFs⁴

For the first time, SEBI has disclosed granular details of AIFs such as the funds raised from the foreign and domestic investors in AIFs, Top 10 sector wise allocation of investments, investments debt and equity wise, Investment in Start-ups and MSMEs cumulative net investment made in listed and unlisted securities.

³ <https://www.sebi.gov.in/statistics/1392982252002.html>

⁴ Granular details are clubbed for all the categories of AIFs. Granular details each category wise has been disclosed by SEBI can be accessed from the below link. <https://www.sebi.gov.in/statistics/1392982252002.html>

Top 10 Sector wise allocations:

Sr. No	Sector	Sum of Amount Invested - for all investments including offshore. (Amt INR in 'Crores')
1	Real Estate	68,540.10
2	Others	26,893.29
3	IT/ITes	24,934.55
4	Financial Services	21,393.66
5	NBFCs	19,229.53
6	Banks	17,769.38
7	Pharmaceuticals	14,004.14
8	FMCG	11,163.18
9	Retail	10,594.36
10	Renewable energy	10,416.80
Grand Total		4,06,808.10

Real Estate sector has attracted highest investments of INR 68,540.10 Crores, followed by other sectors of INR 26, 893.29 Crores and the IT/ITes sector of INR 24,934.55 Crores.

AIFs are bringing the liquidity gap in the Real Estate Sector.

Funds raised from foreign and domestic investors in AIFs:

All Category of AIFs	Fund raised from domestic investors	FPI	FVCIs	NRIs	Others
Grand Total (INR in 'Crores')	2,83,766.97	18,426.20	6,207.30	15,106.16	1,56,988.09

Note: Funds raised from Employee, sponsor, manager and EBTM data not included.

Investment made in listed and unlisted securities:

All Category of AIFs	Total investment in Listed Securities	Total investment in Unlisted Securities
Grand Total (INR in 'Crores')	1,07,524.23	2,96,529.69

Note: Listed Securities - Listed/Proposed to be listed Debt, Listed/Proposed to be listed Equity, Listed/Proposed to be listed equity on SME exchange.

Investment made in equity and debt securities:

All Category of AIFs	Investments made in equity/equity linked securities (*)	Investment made in debt securities (#)	Investments in units of AIFs/ REITs/InvITs	Security Receipts
Grand Total (INR in 'Crores')	2,55,913.34	1,16,381.25	12,615.72	2,041.63

*Investments made in equity/equity linked securities = Listed/Proposed to be listed Equity, Listed/Proposed to be listed equity on SME exchange, Unlisted Equity/Equity Linked

Investment made in debt securities = Securitised Debt, Listed/Proposed to be listed Debt, Unlisted Debt

Note: **Listed Securities** - Listed/Proposed to be listed Debt, Listed/Proposed to be listed Equity, Listed/Proposed to be listed equity on SME exchange.

Investments made in Start-ups and MSMEs

All Category of AIFs	Investments made in Medium Enterprise	Investments made in Micro Enterprise	Investments made in Small Enterprise	Investments made in Startup
Grand Total (INR in 'Crores')	443.54	398.18	244.96	16,095.12

Note: AIF, Company, InvIT, Listed, LLP, Microfinance Institutions, Mutual fund, NBFC, Private Limited, REIT, SPV, Trust, Trust set up by an ARC, VCU are not included.

SHIFT OF AIFs FROM LIGHT-TOUCH TO COMPLIANCE INTENSIVE

AIFs have gained traction in the recent years, to maintain transparency in AIFs operations and to keep protecting the increasing interest of the investors, market regulator (SEBI) has taken steps by way of notifying several regulatory changes in SEBI AIFs Regulations over the years.

Below are the major regulatory reforms in SEBI AIFs Regulations⁵:

Year	Regulatory reforms/changes
2012 & 2013	<ul style="list-style-type: none"> SEBI (Alternative Investment Funds) Regulations 2012 introduced in May 2012. Periodic reporting to SEBI by AIFs. Risk management framework introduced for Category III AIFs. Calculation of exposures and NAV, obligation of AIFs and custodians in case of breach of limits.
2014 & 2015	<ul style="list-style-type: none"> Fees, charges, and litigation to be disclosed in PPM for enhanced transparency. Preparation and submission of compliance test report for increased compliance oversight. Guidelines released on overseas investment by AIFs/VCFs to enable more investment options for AIFs.
2017 & 2018	<ul style="list-style-type: none"> Introduction of online system for registration of AIFs, reporting and filing. Enhanced reporting format for Category III AIFs to capture investments in commodities. Guidelines for AIFs with respect to operation in IFSC, including requirements, conditions and restrictions.
2020	<ul style="list-style-type: none"> Enhanced and standardized disclosure norms for AIFs to improve transparency. Accountability of members of Investment Committee for investment decisions of the AIF, in case it is a decision-making body. Mandatory performance benchmarking for AIFs. Introduction of templates for PPMs. Mandatory annual audit of PPMs.
2021	<ul style="list-style-type: none"> Introduced framework for AIFs to invest in units of other AIFs to widen the pool of investors. Applicability of Code of Conduct for Alternative Investment Funds. Introduction of new class of investors — accredited investors. Mandatory filing of PPM through a SEBI-registered merchant banker. Co-investment by investors of AIFs shall be through a co-investment portfolio manager as specified under SEBI (PMS) Regulation 2020. Enhancement of disclosure practices as follows: <ul style="list-style-type: none"> Introduction of investor charter to provide relevant information to investors. Change in KMPs to be disclosed to investors and SEBI. Maintain data on investor complaints in a specified format.
2022	<ul style="list-style-type: none"> Introduction of special situation funds for investment in special situation assets. Appointment of a compliance officer made mandatory to bring AIFs at par with other investment products. Guidelines for LVFs for Accredited Investors. To standardise operational aspects, issued guidelines governing first close, calculation of tenure, fees, commitment made by manager/ sponsor or change in manager/ sponsor. Eliminated the requirement for an Indian connection for overseas investment to provide more overseas investment opportunities. Priority distribution model to be discontinued to bring all investors on equal footing.
2023	<ul style="list-style-type: none"> Introduction of direct plan for schemes of AIFs and trail model for distribution commission in AIFs. AIFs shall undertake at least 10% of total secondary market trades in Corporate Bonds by value in a month by using the RFQ platform. All schemes of AIFs shall dematerialise their units in a specified time frame. Standardised approach to valuation of investment portfolio of AIFs.

⁵ <https://www.crisil.com/content/dam/crisil/our-analysis/reports/Research/documents/2023/12/no-ifs-about-aifs.pdf>

2024	<ul style="list-style-type: none"> • Introduction of a standard reporting format facilitated by AIF Associations. AIFs to submit PPM audit reports online to SEBI. • Notification of Alternative Investment Funds) (Second Amendment) Regulations 2024 wherein: <ul style="list-style-type: none"> - Category I and Category II AIFs may create encumbrance on equity of investee company for the purpose of borrowing. - Every AIF, Manager of AIF, KMP of Manager and AIF shall exercise specific due diligence with respect to investors and investments to prevent facilitation of circumvention of such laws as may be specified by SEBI. - Introduction of the concept of Dissolution Period under Regulation 29B and discontinuation of the concept of Liquidation Scheme under Regulation 29A of the SEBI AIFs Regulations. • SEBI has relaxed the requirements of intimation of changes in terms of PPM of AIFs through Merchant Banker.
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Indicative compliances under SEBI AIFs Regulations⁶:

Below is the indicative list of compliances required to be done by AIFs under SEBI AIFs Regulations.

Compliances	Category of AIF	Monthly/Quarterly Half-yearly/ Annual/Perpetual	Due date
Quarterly Compliance Report	All categories	Quarterly	To be filed within 15 days from the end of the quarter on SEBI SI Portal.
Annual Compliance Test Report	All categories	Annual	<ul style="list-style-type: none"> • Submission of CTR to Sponsor / Trustee - within 30 days from the end of the financial year. • Trustee/ Sponsor to provide comments, if any on CTR within 30 days from receipt of CTR. • Making changes in CTR and resubmission of the same to the Trustee / Sponsor - within 15 days from receipt of the observations/ comments, if any.
Report to the investors	All categories	Annual	Annual report to be provided to investors of AIF within 180 days from the year end.
Disclosure of NAV to the investors	Category III	Not later than Month/Quarter	<ul style="list-style-type: none"> • Not later than Month – Open-ended funds. • Not later than Quarter – Closed ended funds.
Valuation of AIFs investments	All categories	<ul style="list-style-type: none"> • Half-yearly; or • Annually if consent of 75% of the investors of AIF (by value) has been obtained. 	<ul style="list-style-type: none"> • 31 March/ 30 September. • Annual basis.
Obtain performance benchmarking	All categories	A half yearly basis based on the data as on 31 March and 30 September of each year.	<ul style="list-style-type: none"> • Within 6 months from the end of every half-year ending on 31 March; and • Within 45 days from the end of every half-year ending on 30 September.
Annual Audit of Accounts of AIFs by a qualified auditor	All categories	Annual	On or before 30 September.

⁶ List of compliances (including event-based compliances) is not exhaustive and based on the routine compliances applicable to the Schemes under AIF as per PPM, Contribution Agreement and other fund related documents. AIF would require to also do event-based compliances or any other compliances in any other applicable laws, rules, regulations etc., and depending upon sector, fund size etc.

Dematerialization of units of AIFs	All categories	All AIFs to now issue units in demat form only	-
Dematerialization of investments of AIFs (Whether investment made directly in the investee company or is acquired from another entity).	All categories	Perpetual unless exempted	1 October 2024
NISM Series-XIX-C: Alternative Investment Fund Managers Certification requirement by Key Investment Team of the Investment Manager	All categories	Perpetual	<ul style="list-style-type: none"> • Immediate for all new AIFs • Existing schemes/schemes whose application for launch of scheme was pending as on 10 May 2024 to obtain NISM certification by 9 May 2025
PPM Audit	All categories	Annual	Within 6 months from the end of the Financial Year
Limit on investable funds	All categories	Perpetual	<ul style="list-style-type: none"> • Category I and II AIFs not to invest more than 25% of the investable funds in an Investee Company. • Except Large Value Fund (invests not less than INR 70 crores in AIF) can invest upto 50% of the investable funds in an investee company. • Category III AIFs not to invest more than 10% of the investable funds in an Investee Company.
Appointment of Compliance officer	All categories	Perpetual	<p>Immediate after registration of an AIF.</p> <p>AIFs shall ensure that IM shall designate an employee or director as Compliance Officer who shall be a person other than CEO of the Manager or such equivalent role or position depending on the legal structure of Manager.</p>
Appointment of custodian	All categories	Perpetual	<ul style="list-style-type: none"> • The custodian for a scheme of an AIF shall be appointed prior to the date of first investment of the scheme. • Existing schemes of Category I and II AIFs having corpus less than or equal to INR 500 crore and holding at least one investment as on date of this circular shall appoint custodian on or before 31 January 2025. • All CAT-III AIF
Appointment of Registrar and Transfer Agent (RTA)	All categories	Perpetual	Upon obtaining AIF registration
Maintenance of continuing interest of Sponsor/ Investment Manager	All categories	Continual basis	Continuing interest
Pooling vehicles shall not be created solely for the purpose of investing in an AIF	All categories	Perpetual	-

Maintain data on investor complaints in a specified format	All categories	Perpetual	-
Due diligence with respect to investors and investments	All categories	Continual	-
Stewardship Code	All categories	Continual	AIFs to mandatorily follow the Stewardship Code, in relation to their investment in listed equities.

Indicative event-based compliances under SEBI AIFs Regulations⁷

Below is the indicative list of event-based compliances required to be done by AIFs under SEBI AIFs Regulations.

Compliances	Due date/Time period/ Compliance to be done
Manager and Sponsors disclosures to AIF on their investments in AIF and any conflict of interests	Immediate
Reporting to Investors: a. Financial, risk management, operational, portfolio, and transactional information regarding AIF investments. b. Any fees paid to the manager or sponsor; and c. Any fees charged to the AIF or any investee company by an associate of the manager or sponsor.	Periodically - to be determined by the AIF
a. Any inquiries or legal actions by legal or regulatory bodies in any jurisdiction. b. Any material liability arising during the AIF's tenure. c. Any breach of placement memorandum or any other fund documents. d. Change in control of the manager or sponsor or investee company; and e. Any significant change in the key investment team.	
Immediate Reporting to SEBI for the following disclosures: a. Intimate SEBI of any violations of the AIF regulations or circulars issued thereunder observed from the CTR. b. Misleading / false information or any material change on information already submitted or change in sponsor, manager. c. AIFs shall report the utilisation of overseas investment limits on SEBI intermediary portal. d. Non utilisation / partial utilisation of investment limits within period of 6 months from the date of SEBI approval (validity period) e. Surrender of overseas limit within validity period	
Change of category of AIF	
Change in control of the AIF	
Any changes to the placement memorandum and in the documents of the fund/scheme including modifications in terms or documents of the AIF / scheme to be intimated to SEBI and the investors.	For material changes – Immediate.
Any material alteration to the fund strategy	Consent of at least two-thirds of unit holders by value of their investment in the AIF.

⁷ List of compliances (including event-based compliances) is not exhaustive and based on the routine compliances applicable to the Schemes under AIF as per PPM, Contribution Agreement and other fund related documents. AIF would require to also do event-based compliances or any other compliances in any other applicable laws, rules, regulations etc., and depending upon sector, fund size etc.

A scheme of an AIF to buy or sell investments from or to: i) Associates; or ii) Schemes of AIF managed/sponsored by its manager/sponsored by its manager/sponsor or associates of manager/sponsor; or iii) Investor who has committed to invest at-least 50% of the corpus of the scheme of AIF (to be excluded from voting process at the time of obtaining approval of 75% of the consent of the investors).	Consent of at least 75% of the investors by value of their investment in AIF
Valuation of assets of AIF - At each asset level, if there is a deviation of more than 20% between two consecutive valuations or deviation of more than 33% in a financial year.	Manager to inform investors the reasons/factors for deviation, both generic and specific
Code of Conduct	AIF, KMP of the AIF, trustee, trustee company, directors of the trustee company, designated partners or directors of the AIF, as the case may be, managers and KMP of managers shall abide by the Code of Conduct as specified in the Fourth Schedule of the SEBI AIFs Regulations.

Additionally, Trustees of AIFs are obtaining Trustees Compliance Report from the AIFs on a quarterly basis as they are entrusted to ensure compliances of the AIFs.

ONE-TIME REGISTRATIONS REQUIRED BY AIFs

Upon the registration of AIF by SEBI, below are the one-time registrations required to be obtained by AIFs.

1. Financial Intelligent Unit (FIU) 2.0 under Prevention of Money Laundering Act, 2002 (PMLA)
2. CKYC Registration on CERSAI Portal
3. KRA Registration etc.

CODES AND POLICIES TO AIFs/ INVESTMENT MANAGER (IM) OF AIFs

AIFs and/or IM of AIFs are required to be prepared policies such as KYC/ Anti-Money Laundering (AML)/ Combating Financing of Terrorism (CFT) Policy, Conflict management policies and risk management policies (Policy to be made before initial closing of the fund), The management, financing and disposal policies of the Fund, Liquidation Management Policy, Insider Trading Policy, Investment Policies and strategy and Policies and procedures of valuation as per Regulation 20(8) and 23(6) and of SEBI AIFs Regulations, Internal policies as per the fund documents of AIFs and such other policies as required to be prepared by AIFs/IM of AIFs as per applicable laws.

AIFs/IM are required to abide by Code of conduct as per Fourth Schedule of the SEBI AIF Regulations, 2012. AIFs are mandatorily follow the Stewardship Code, in relation to their investment in listed equities.

AIF industry is consistently evolving and growing, and comprises three categories – Category I, Category II and Category III AIFs as per SEBI AIFs Regulations. Category II AIFs have grown at a healthy pace. Majority of the AIFs are registered with SEBI are Category II AIFs.

INDICATIVE COMPLIANCES UNDER FOREIGN EXCHANGE MANAGEMENT ACT, 1999

AIFs with foreign investments are required to comply with the Foreign Exchange Management Act, 1999, FDI Policy of 2020 issued by Department for Promotion of Industry and Internal Trade (DPIIT), Foreign Exchange Management (Non-Debt Instruments) Rules, 2019 and Foreign Exchange Management (Mode and Payment and Reporting of Non-Debt Instruments) Regulations, 2019. Indicative compliances are listed as below:

Compliances	Due date
Form InVI	Within 30 days from the date of allotment of units
Form DI	On FIFP ⁸ Portal – Within 30 days from the date of receipt of the investment. On FIRMS Portal - Within 30 days from the date of allotment of securities

⁸. FIFP means 'Foreign Investment Facilitation Portal' of DPIIT.



FLA return	By 15 July (in excel format as prescribed by RBI)
<p>Overseas Investment by AIF</p> <p>(AIFs may invest in equity and equity linked instruments only of offshore venture capital undertakings, subject to overall limit of USD 1500 million)</p>	<ul style="list-style-type: none"> AIF to report the utilization of the overseas limits within 5 working days of such utilization on SEBI intermediary Portal. <p>https://silogin.sebi.gov.in/global-protect/login.esp?token=1</p> <ul style="list-style-type: none"> Sale/divestment details of the overseas investments to be submitted by AIF to SEBI within 3 working days of the divestment.

OTHER APPLICABLE LAWS

AIFs/IM are required to comply other applicable securities laws, rules and regulations etc., such SEBI (Prohibition of Insider Trading) Regulations, 2015, Prevention of Money Laundering Act, 2002, Sector specific laws etc.

CONCLUSION

An AIF Industry has done exponential growth in terms of increasing domestic and foreign capital flow, increasing investment opportunities and contributing significantly to the capital market of India and has enabled all the stakeholders in the AIF ecosystem.

Various steps taken by SEBI in regulatory reforms under SEBI AIF Regulations are aimed at protecting, increasing and building investor confidence, ease of compliances and to boost capital market and development of the Indian economy.

Over the years, noteworthy changes have been introduced to SEBI AIFs Regulations to make it robust and competent and compliance intensive.

As a good governance practice and to boost investors' confidence and various other stakeholders, AIFs players and Investment Managers of AIFs should get the health check/due diligence of their compliances, investors, and its investments to avoid any regulatory gaps/oversight and with the advancement of technology will give a sharp fillip to growth in the AIF Industry.



3

LEGAL WORLD



- BALCO EMPLOYEES UNION (REGD.) v. UNION OF INDIA & ORS [SC]
- APL APOLLO TUBES LTD v. TANISHA SCAFFOLDING (INDIA) PVT LTD [NCLAT]
- PADMANABHAN v. PRIYA S. ANAND [NCLAT]
- RACHNA KHAIRA v. GOOGLE INDIA PRIVATE LIMITED [CCI]
- METALLURGICAL PRODUCTS INDIA PRIVATE LTD v. GOVERNMENT OF INDIA & ANR [CCI]
- WORKMEN OF BEML LTD v. UNION OF INDIA& ORS [KNT]
- S. JAMUNA RANI vs THE CHENNAI PORT TRUST & ANR [MAD]
- CM CEMENT CONCRETE PVT. LTD v. UNION OF INDIA & ANR [GAU]
- RAGHAVENDRA SHANKAR GONDI v. SUNDARAM FINANCE LIMITED [MAD]



Corporate Laws

Landmark Judgement

LMJ 07:07:2024

BALCO EMPLOYEES UNION (REGD.) v. UNION OF INDIA & ORS [SC]

Transfer Case (Civil) 8 of 2001 with connected cases.

B.N. Kirpal, Shivaraj V. Patil & P. Venkatarama Reddi, JJ. [Decided on 10/12/2001]

Equivalent citations: AIR 2002 SUPREME COURT 350, 2001 AIR SCW 5135, 2002 CLC 171 (SC), (2002) 100 FIR 152, (2002) 2 SCT 12, (2002) 1 CGLJ 128, (2002) 1 LAB LJ 550, (2001) 8 SUPREME 660, (2002) 1 SCJ 123, 2002 (2) SCC 333, (2001) 8 SCALE 541, (2002) 108 COMP CAS 193, (2002) 1 COM LJ 205, (2001) 10 JT 466 (SC)

Government company- policy decision of disinvestment- whether amenable to judicial review-Held, No. Whether the disinvestment decision was unfair-Held, No.

Brief facts:

The validity of the decision of the Union of India to disinvest and transfer 51% shares of M/s Bharat Aluminium Company Limited (hereinafter referred to as 'BALCO') is the primary issue in these cases. The moot question before the court was whether the policy decision of the government could be subject to judicial review.

Decision: Dismissed.

Reason:

In a democracy, it is the prerogative of each elected Government to follow its own policy. Often a change in Government may result in the shift in focus or change in economic policies. Any such change may result in adversely affecting some vested interests. Unless any illegality is committed in the execution of the policy or the same is contrary to law or mala fide, a decision bringing about change cannot per se be interfered with by the Court.

Wisdom and advisability of economic policies are ordinarily not amenable to judicial review unless it can be demonstrated that the policy is contrary to any statutory provision or the Constitution. In other words, it is not for the Courts to consider relative merits of different economic policies and consider whether a wiser or better

one can be evolved. For testing the correctness of a policy, the appropriate forum is the Parliament and not the Courts. Here the policy was tested and the Motion defeated in the Lok Sabha on 1st March, 2001.

Thus, apart from the fact that the policy of disinvestment cannot be questioned as such, the facts herein show that fair, just and equitable procedure has been followed in carrying out this disinvestment. The allegations of lack of transparency or that the decision was taken in a hurry or there has been an arbitrary exercise of power are without any basis. It is a matter of regret that on behalf of State of Chattisgarh such allegations against the Union of India have been made without any basis. We strongly deprecate such unfounded averments which have been made by an officer of the said State.

The offer of the highest bidder has been accepted. This was more than the reserve price which was arrived at by a method which is well recognised and, therefore, we have not examined the details in the matter of arriving at the valuation figure. Moreover, valuation is a question of fact and the Court will not interfere in matters of valuation unless the methodology adopted is arbitrary [see Duncans Industries Ltd. vs. State of U.P. & Ors, (2000) 1 SCC 633].

The ratio of the decision in Samatha's case (supra) is inapplicable here as the legal provisions here are different. The land was validly given to BALCO a number of years ago and today it is not open to the State of Chattisgarh to take a summersault and challenge the correctness of its own action. Furthermore even with the change in management the land remains with BALCO to whom it had been validly given on lease.

Judicial interference by way of PIL is available if there is injury to public because of dereliction of Constitutional or statutory obligations on the part of the government. Here it is not so and in the sphere of economic policy or reform the Court is not the appropriate forum. Every matter of public interest or curiosity cannot be the subject matter of PIL. Courts are not intended to and nor should they conduct the administration of the country. Courts will interfere only if there is a clear violation of Constitutional or statutory provisions or non-compliance by the State with its Constitutional or statutory duties. None of these contingencies arise in this present case.

In the case of a policy decision on economic matters, the Courts should be very circumspect in conducting any enquiry or investigation and must be most reluctant to impugn the judgement of the experts who may have arrived at a conclusion unless the Court is satisfied that there is illegality in the decision itself.

Lastly, no ex-parte relief by way of injunction or stay especially with respect to public projects and schemes or economic policies or schemes should be granted. It is only when the Court is satisfied for good and valid reasons, that there will be irreparable and irretrievable damage can an injunction be issued after hearing all the parties. Even then the Petitioner should be put on appropriate terms such as providing an indemnity or an adequate

undertaking to make good the loss or damage in the event the PIL filed is dismissed.

For the aforesaid reasons stated in this judgment, we hold that the disinvestment by the Government in BALCO was not invalid. Transferred Case (Civil) Nos. 8, 9 and 10 of 2001 are dismissed. The parties will, however, bear their own costs.

LW 47:07:2024

APL APOLLO TUBES LTD v. TANISHA SCAFFOLDING (INDIA) PVT LTD [NCLAT]

Company Appeal (AT) (Ins) No. 1285 of 2019

Sharad Kumar Sharma & Jatindranath Swain. [Decided on 11/06/2024]

Insolvency and Bankruptcy Code, 2016- section 9- CIRP application- rejected on the ground that there was no matching purchase order- whether tenable- Held, No.

Brief facts:

The Appellant had filed a CIRP application against the Respondent. The case set up by the Appellant was that it had supplied certain manufactured products for the purposes of marketing to the Respondent, but the amount against such supplies was not remitted and fell due to be paid. The Respondent did not dispute the demand made in the notice of demand issued under section 8 of the IBC. However, the said Application has been rejected by the Impugned Order, contending thereof that the Applicant's claim pertaining to the amount due to be paid to the Appellant by the Respondent as per the Demand Notice and the accompanying invoices has not been supported by the respective Purchase Orders so as to justify the amount claimed by the Appellant.

Decision: Allowed.

Reason:

It is a trite law that when the Courts/Tribunals created under a statute while adjudicating upon a civil right between the parties before the Court or the Tribunal concerned have to confine their finding limited to the extent of respective pleadings and evidence laid by the parties. The Tribunals or the Courts are not expected to substitute their own stand or finding in supporting case of either of the parties before it in the absence of there being any pleading raised before it to controvert the pleading raised by the other side in support of their case. Rather the Courts/Tribunals should refrain from stepping into the shoes of a litigating party by substituting their own finding in the absence of there being any pleading evidence.

It is the settled law which needs no further elaboration that in a judicial proceeding where despite orders being passed by the court or the Tribunal calling upon the opposite side to file objection to the pleading raised by the Appellant/Applicant, if the same is not controverted,

it will be deemed to have been accepted by the other side and would be taken as to be true. Be that as it may, since at no point of time, the Respondent had filed any objection to the contrary to the proceedings under section 9 of I & B Code before the Adjudicating Authority, that is, NCLT, Bangalore Bench, we are of the view that it would meet the ends of justice if the Impugned Order dated 05.09.2019 is quashed and the matter is remitted back to the NCLT, Bangalore Bench to decide CP(IB)No.116/BB/2018 afresh after providing an opportunity to the Respondent to file their objection to the Application under section 9 and to decide the same afresh.

Considering the fact that the proceedings drawn on dates as back as in 2016, it is hoped and trusted that the Learned Adjudicating Authority will make all efforts to decide proceedings as expeditiously as possible. Subject to the above, the Company Appeal would stand allowed.

LW 48:07:2024

PADMANABHAN v. PRIYA S. ANAND [NCLAT]

Company Appeal (AT) (CH) (Ins) No.167 of 2024 & 168 of 2024

Sharad Kumar Sharma & Jatindranath Swain. [Decided on 4 /06/2024]

Brief facts:

Appellants in these two connected Company Appeals are erstwhile Director(s) of M/s. RRP Housing Private Limited (the 'Corporate Debtor'), which were engaged in the Real Estate Projects. The Corporate Debtor was put into liquidation and the assets were sold and sale certificate was also issued to the auction purchaser. Now the appellants sought to challenge the sale under these appeals.

Decision: Dismissed.

Reason:

Looking into the circumstances particularly when the Appellant(s) questions the Sale Certificate and Sale made by the Liquidator, it would have been apt on his part to have earlier approached the Liquidator himself at the time of publication of Sale inviting the bids from the Prospective Buyer, which was made by the Liquidator. Having not done so and having waited till the same was actuated upon by publication on 05.05.2022, this inaction would not give the liberty to the Appellant(s) to open a new chapter by putting a question to the Sale Certificate which has been affirmed by the Liquidator who has filed the IA No. 1301 dated 12.03.2024 and who has further proceeded to distribute the Funds of the Liquidation to satisfy the Claims raised. To this, the Appellant contends that the pleadings which he had agitated in the respective Interlocutory Applications, filed before the NCLT were not addressed upon by the Learned Adjudicating Authority as no finding has been recorded while deciding the same by the Impugned Order.

After having perused the Impugned Order under challenge and considering the argument extended by the Learned Counsel for the Appellant(s), it is felt that the same may not be sustainable for the reason, firstly, since his status being that of an Ex-Director / Shareholder, the Appellant(s) ceases their rights for questioning the Auction proceedings, secondly, as the Liquidation process had attained finality against them by the Order of the Appellate Tribunal and that too, further when the Auction held on 05.05.2022 has already been affirmed by the Order of 31.03.2024 and thirdly, the funds accrued from the such Sale have already been distributed, as notified by the Liquidator on 12.03.2024.

At this belated stage questioning the Auction Sale made on 05.05.2022 by the Liquidator, on the alleged procedural discrepancies as argued by the Learned Counsel for the Appellant without substantiating it, may not be a subject which could de-novo be scrutinised and be considered by this Tribunal, particularly when he has not placed his grievances at the appropriate stage, before the Liquidator himself at the stage when he issued the publication of Notice and was proceeding with the Auction Sale, when the Appellant has never questioned the publication, which was issued for Sale of the Property under Liquidation and rather had accepted the Auction Sale without raising any objection and since he had filed the IAs belated for setting aside the Auction Sale by filing the same only on 19.12.2022.

In view of the stage at which the Interlocutory Application was filed, coupled with the fact that since the proceedings for Liquidation in the present case has already attained finality and his status being that of an Ex-Director / Shareholder of the Corporate Debtor, the prayer made in his Application may not be taken as to be a ground to re-open the entire proceedings of Auction Sale, which was held as a consequence to the finality attached to the Order of Liquidation. Owing to the reasons as recorded above, we do not find any merit in the appeals and the same are dismissed.



Competition Laws

LW 49:07:2024

RACHNA KHAIRA v. GOOGLE INDIA PRIVATE LIMITED [CCI]

Case No. 03 of 2023

Ravneet Kaur, Anil Agrawal, Sweta Kakkad & Deepak Anurag [Decided on 24/06/2024]

Competition Act, 2002-section 4- abuse of dominance-

Brief facts:

The Informant was primarily aggrieved by the disclosure of contact book of mobile phone users by Truecaller, whose primary function is to identify incoming calls by matching the caller's number with its database. The Informant alleges that Google is giving Truecaller special access to Android users' contact book details, which violates Google's own policies. The same is alleged to be an abuse of its dominant position in the relevant market by Google in violation of provisions of Section 4 of the Act.

Decision: Dismissed.

Reason:

The allegation in the present matter pertains to Google's Play Store, which is a distribution channel for app developers to reach out to the Android smart mobile users.

In respect of alleged conduct on part of Google, the Commission found merit in the argument of Google that the Informant, while making allegations against Google for giving preferential treatment to Truecaller and not taking any action for violating its own policies, has relied on a version of Truecaller's app which is not available on Play Store. The Informant in her rejoinder has contested these submissions by Google, but has not substantiated the same. Therefore, the allegation of the Informant remains unsubstantiated.

The presence of other caller ID and spam protection apps on Play Store providing the same service and undertaking the same function indicates that Google does not prohibit other caller ID apps from undertaking the same function and providing the same service as Truecaller. Accordingly, the allegation that Google is limiting competition in the market for caller ID and spam protection by exclusively allowing Truecaller to share contact information does not appear to be validated.

In relation to the allegations of the Informant that Google has allowed Truecaller to access data from Android platform before banning harvesting of such data through change in policies, it is noted that the Informant has not placed any material on record to establish that such policy change has granted any competitive advantage to Truecaller over its rivals.

The Commission has perused the rival submissions of the Informant and Google as mentioned supra. Based on the experiment run by the Informant, it appears that users have voluntarily provided the contact details data to Truecaller. Therefore, the allegations of the Informant that Truecaller is engaging in 'unauthorised publishing' or that Google has allowed any preferential access to Truecaller do not appear to be substantiated.

Thus, the Commission is of the view that the allegation of the Informant remains unsubstantiated and despite sufficient opportunity, the Informant has not provided

any evidence to prima facie establish that Google is according either preferential treatment to Truecaller or resorting to discriminatory practises by allowing access to user's contact data to Truecaller while denying the same to the competing applications.

Given the facts and circumstances of the present case, the Commission finds that no prima facie case of contravention of the provisions of Section 4 of the Act is made out against Google in the instant matter. Accordingly, the Information is ordered to be closed forthwith.

LW 50:07:2024

**METALLURGICAL PRODUCTS INDIA PRIVATE LTD
v. GOVERNMENT OF INDIA & ANR [CCI]**

Case No. 33 of 2023

Ravneet Kaur , Anil Agrawal, Sweta Kakkad & Deepak Anurag [Decided on 29/05/2024]

Competition Act, 2002- section 2(h) - enterprise- section 4- abuse of dominance- atomic energy related products- whether DAE is an enterprise under the Act-Held,No. Whether complaint maintainable-Held,No.

Brief facts:

The Informant filed the present complaint, alleging abuse of dominance by Government of India through The Secretary, Department of Atomic Energy ("OP-1"/ "DAE") and IREL (India) Ltd. ("OP-2"/ "IREL"). The primary grievance of the Informant pertains to: (i) refusal to renew the off-take agreement after 2017 for processing of Uranium contained Leach Residue; (ii) rejection of import licenses applications for Columbite and Tantalite; and (iii) refusal/non- approval of an alternate disposal plan.

Decision: Dismissed.

Reason:

At the outset, the Commission observes that the processing of products in question (i.e., Columbite and Tantalite) generate radioactive substance (i.e., Uranium) which is governed under AEA and that the subject of atomic energy finds special mention under Section 2(h) of the Act.

The Commission notes that the grievance of the Informant with respect to import license and alternate disposal plan lies against the DAE as both these activities are under the domain of the DAE only. With regard to the grievance relating to refusal to renew the off- take agreement by IREL, the Commission notes that the said agreement was entered into on the direction of DAE vide its letter dated 04.04.2003. The said agreement was not renewed on the direction of DAE as communicated vide its letter dated 05.01.2018. The Commission also notes that Informant, vide letter dated 16.01.2019, requested DAE to advise UCIL for finalizing an off-take agreement in place of

IREL indicating the fact that such off take agreements are entered into only on the direction of DAE. Thus, all the allegations are essentially against DAE.

The Informant has alleged violation of Section 4 of the Act against OPs which deals with abuse of dominant position by an 'enterprise' in the relevant market. As per the scheme of Section 4, any anti-competitive conduct would be analyzed only if it is done by an 'enterprise', as defined under Section 2(h) of the Act.

Thus, from a conjoint reading of Section 2(h) of the Act and the relevant Allocation of Business Rules, it is amply clear that DAE is exempted from the purview of 'enterprise' in terms of the provisions of the Act. Accordingly, conduct of DAE does not invite scrutiny under the provisions of the Act.

Furthermore, based on the above, the Commission notes that the IREL has no role to play in renewal of the off-take agreement, rejection of import licenses, and non-approval of an alternate disposal plan. Based on the facts and circumstance of the instant case and analysis carried out in preceding paragraphs, since no prima facie case is made out either against DAE or IREL, the matter may be closed.



LW 51:07:2024

WORKMEN OF BEML LTD v. UNION OF INDIA& ORS [KNT]

Writ Petition No.573/2024 (L-RES)

K.S.Hemalekha,j. [Decided on 21/06/2024]

Contract Labour (Regularisation & absorption) Act- contract workers working for more than 20 years- employer issued Notification for recruitment of workers-union demanded regularisation of employment and quashing of employment notification- whether regularisation grantable- Held, No. Whether employment notification could be quashed-Held to be kept in abeyance.

Brief facts:

The grievance of the petitioners was that respondent No.2 BEML has employed only around 450 permanent workmen and has engaged around 1800 workmen as contract workmen, even though they are working in the permanent and perennial nature of work and performing the same work as regular workmen employed in such posts. It is the case of the petitioners that the workmen are

supervised only by managerial person of respondent No.2 and there are no employees of the so called contractors, who are in any manner involved with the petitioners-workmen other than remitting the wages, sanctioned by the respondent No.2 and collecting huge commissions for remitting the wages at the cost of petitioner- workmen. It is the case of the petitioners that the workmen are continuing to perform permanent and perennial nature of work and many of these workmen have been working continuously for respondent No.2 for more than 20 years.

The petitioner-union in continuation of their earnest attempt to get their legitimate rights/demands, addressed several representations to respondent No.2, when the situation stood thus, respondent No.2 published Recruitment Notification dated 27.09.2023 calling recruitment of Group-C position across BEML Limited. It is the case of the petitioner that by virtue of notification which specifies that requisite qualification for wage Group-C is ITI with National Apprentice Certificate and not Diploma Engineering, which is a general qualification and majority of the petitioners-workmen are ITI qualified and have completed National Apprentice Certificate and the impugned notification deprives the petitioners-workmen of their legitimate expectation for getting regularized with their service for having the same skills for applying to the said posts, but due to the age restrictions, none of the petitioners can apply for the posts as per the impugned notification and they are deprived of their minimum rights. The petitioner sought regularisation of contract workers, abolition and quashing of the Notification.

Decision: Partly allowed.

Reason:

The issue on hand is “Whether inviting applications from the candidates to recruit to Group-C position by the company-respondent No.2, while they are already a significant number of workmen/workers performing similar duties as contract workers, without being regularized, is fair and lawful.

The issue in this petition is whether the employment of the contract workers without regularization having been engaged for prolonged period when they are essentially performing duties similar to those of Group-C position, they may have a legal claim to regularization under the Labour Laws, but the jurisdiction of this Court under 226 seeking for regularization by the contract workers, was working under the principal employer or were under the contractors and whether there was an relationship of employer and the employee is essentially a question of fact, the remedy to the petitioner is to approach the industrial tribunal for declaring either the contract labour system under which they had employed was camouflage and that they are direct employees of the respondent No.2 and for consequential relief, the appropriate remedy is to approach the industrial tribunal and this Court has no jurisdiction to absolve the petitioners by regularization on the ground that the work for which the petitioners

were engaged as contract labour was perennial in nature, the said question would be on determination of several number of factors.

In the instant case, the petitioner has sought for direction to the respondent No.2 to regularize the employment of the petitioner-workman, who are represented by the petitioners-union and to grant all benefits consequent to upon after absorbing them as permanent workmen, the prayer seeking regularization by this Court by the contract workman is not maintainable and the prayer (a) of the writ petition cannot be granted as the petitioners have to approach the appropriate forum for seeking appropriate relief. However, it is essential to assess whether inviting application for Group-C position while existing contract workers remained unregularized is fair and equitable? And prayer No.(b) and (c) are seeking to declare the notification in Annexure-L is illegal and arbitrary.

If the contract workers are qualified and have been performing satisfactorily, there may be concerns of fairness in not offering them the opportunity to apply for these positions. If, there is genuine reasons to fill the Group-C positions with external candidates due to skill gaps or other valid reasons, this could be a legitimate justification, ignoring the rights of the contract workers who may be entitled to regularization, it would be prudent for the employer to review the status of the contract workers, assess their eligibility for regulations, and ensure that the recruitment process of group-C positions is conducted in a manner, i.e., fair and transparent.

Prayer (a) of the writ petition seeking regularization before this Court is not maintainable, petitioners to approach the appropriate forum having jurisdiction. However, this Court feels it appropriate in the peculiar facts and circumstances to keep the impugned notification in abeyance for a period of one month from today, with the said observation writ petition stands disposed of.

LW 52:07:2024

S. JAMUNA RANI vs THE CHENNAI PORT TRUST & ANR [MAD]

W.P.No.30615 of 2013

R.Kalaimathi,J. [Decided on 26/06/2024]

Compassionate appointment- petitioner's husband went missing- she applied for employment on compassionate ground- employer rejected the same- whether rejection correct-Held, No.

Brief facts:

The Petitioner's husband, who was the employee of the Respondent Port Trust, developed chronic schizophrenia and was missing from 20.09.2000. Therefore, she lodged a complaint about the missing of her husband and the Royapuram Police gave a report dated 27.07.2008,

stating that her husband could not be traced. The Petitioner applied to the Respondent for consideration of appointment on compassionate ground was rejected by the impugned letter dated 27.12.2012. Hence, this writ petition.

Decision: Allowed.

Reason:

It appears that the terminal benefits were settled in favour of the petitioners as per this Court's order in the year 2009 and thereafter, the petitioner has made her application on 12.12.2012.

As per the scheme of compassionate appointment in Chennai Port Trust, the maximum time a person's name can be kept under consideration for offering compassionate appointment is 3 years, subject to the condition that the prescribed Committee has reviewed and certified the penurious condition of the applicant at the end of the 1st and the 2nd year. The scheme further reads that after 3 years, if compassionate appointment is not possible to be offered to the applicant, then, the case of the applicant will be closed finally and will not be considered again.

Though the petitioner's husband is said to be missing since 20.09.2000 and she has lodged a complaint on 18.10.2000 and a final report was filed by the Royapuram Police on 27.07.2008. It is relevant to note that as mentioned supra, by an order of this Court dated 24.07.2009 in W.P.No.20968 of 2008, the petitioners have got all the monetary benefits and the 1st petitioner has submitted her application to the respondents seeking compassionate appointment on 12.12.2012.

As per the instructions extracted in paragraph No.9, supra, and as per the existing scheme for compassionate appointment, the request of the 1st petitioner can be considered, if it is made within 5 years from the crucial date. The 1st petitioner has given an application within 5 years from the date of the final report of Royapuram Police. However, the impugned order was passed, stating that the application was belatedly given, which is factually incorrect, as per the scheme for compassionate appointment in the Chennai Port Trust.

In the given circumstances, the order impugned stands quashed. Consequently, the writ petition stands allowed as mentioned below :

i. The 1st petitioner shall give an application afresh for consideration of appointment on compassionate ground for anyone of her legal heirs, as she is aged about 60 years, preferably within a period of four weeks from the date of receipt of a copy of this order. ii. The respondents shall consider the said application of the 1st petitioner and shall complete the said exercise, within a period of 12 weeks from the date of receipt of the application from the 1st petitioner.



General Law

LW 53:07:2024

CM CEMENT CONCRETE PVT. LTD v. UNION OF INDIA & ANR [GAU]

Arbitration Petition No. 35 of 2023

Michael Zothankhuma, J. [Decided on 18/06/2024]

Arbitration and Conciliation Act, 1996- Section 11 and 12-appointment of arbitrator and qualifications-serving/retired officials appointed as arbitrators by the Respondent- whether allowed-Held, No.

Brief facts:

The Petitioner -contractor and the Respondent-Railways entered into a contract agreement to build and operate a 25,000 MT Capacity godown with private Siding. Clause 64 of the contract agreement provided for the dispute resolution between the parties through arbitration, which stated that an Arbitral Tribunal of three members shall be constituted where members were to be appointed by the General Manager of the Respondent for dispute resolution. Disputes arose between the parties and the Petitioner filed the present petition for appointment of an Arbitrator. While the petition was pending the Respondents constituted the arbitral tribunal by appointing its serving/retired officials.

Decision: Allowed.

Reason:

I have heard the learned counsels for the parties. The question to be decided is as to whether the respondent Railways could have appointed serving/retired Railway Officers as Arbitrators, in the absence of any waiver given by the petitioner under Section 12(5) of the Act.

In the case of *Perkins Eastmen Architects DPC & Anr v. HSCC (India) Limited*, reported in (2020) 20 SCC 760, the Supreme Court has held that any person, who falls under any of the categories specified in the 7th Schedule, shall be ineligible to be appointed as an Arbitrator. Further, a person, ineligible to become an Arbitrator, cannot nominate another as an Arbitrator.

In view of the two judgments of the Supreme Court stated above and the fact that the application for appointment of an Arbitrator had been made subsequent to the amendment of Section 12 of the Act, this Court is of the view that the respondent Railways could not appoint/nominate Arbitrators from amongst its own serving/retired officers, to decide the disputes between the parties.

In the case of Central Organization for Railway Electrification (supra), the 3 Judges Bench of the Hon'ble Supreme Court held that when a contract agreement specifically provides for appointment of an Arbitral Tribunal consisting of 3 Arbitrators, from out of the panel of serving or retired railway officers, the appointment of the Arbitrator should be done in terms of the agreement as agreed by the parties. This judgment is in complete variance with the judgments passed in TRF Limited (supra) and Perkins Eastman (supra).

Due to the conflicting decisions of the Hon'ble Supreme Court and the subsequent decisions of the other Benches of the Supreme Court, like in the case of *Union of India v. Tania Constructions Ltd.*, reported in (2021) SCC OnLine SC 271, the conflicting decisions have been referred to a larger Bench for final resolution of the issue, with regard to whether the express terms provided in a contract agreement would hold sway while constituting an Arbitral Tribunal, in view of Section 12(5) and the 7th Schedule of the Act.

The issue that now arises is as to which judgment should be followed by this Court. By applying the judgment of the supreme Court in the case of Union Territory of Ladakh (supra), this Court held that it was bound to follow the earlier judgment of the Supreme Court, i.e., TRF Limited (Supra) wherein the Managing Director of N.F. Railway could not have constituted the members of the Arbitral Tribunal, in terms of Section 12(5) and the 7th Schedule of the Act.

Thus, it is clear that the respondent Railways could not have constituted an Arbitral Tribunal consisting of serving/retired Railway Officers, as it was not in consonance with Section 12(5) and 7th Schedule of the Act, in the absence of any waiver given by the petitioner to Section 12(5) of the Act.

LW 54:07:2024

RAGHAVENDRA SHANKAR GONDI v. SUNDARAM FINANCE LIMITED [MAD]

Civil Miscellaneous Appeal No.1441 of 2024

N.Anand Venkatesh, J. [Decided on 27/06/2024]

Arbitration and Conciliation Act, 1996- Section 37- appeal against orders- arbitration proceedings- interim order against the appellant attaching / freezing bank accounts- whether tenable-Held, No.

Brief facts:

The 1st respondent, who is the claimant has initiated arbitration proceedings for recovery of money from the appellants. The case of the claimant is that the appellants have availed loan facilities under an agreement dated 30.11.2018. After receiving the loan amount, the payments were not made regularly as per the terms of the agreement. The 2nd appellant stood as a guarantor for the said loan. Since default was committed, notices were exchanged and ultimately, the dispute was initiated before the Arbitrator. Pending the adjudication, an interim application was filed for issuing prohibitory orders restraining the Garnishee

from making any payment to the appellants to the extent of amount that is repayable by the appellants to the 1st respondent.

Decision: Allowed.

Reason:

The arbitrator taking into consideration the material placed before the Tribunal passed an interim order directing the bank not to disburse any amount up to a limit of 27,27,739.73/-, to the 1st appellant or to anyone claiming under him and to remit the amount to the claimant directly and further restraining the claimant from withdrawing any amount up to a limit of 27,27,739.73/-.

The appellants have filed this appeal mainly on the ground that the interim order that has been passed by the learned Arbitrator virtually amounts to passing the decree in favour of the 1st respondent and permitting the 1st respondent to take away the entire amount that is available in the credit of the bank account of the 1st appellant.

In the considered view of this Court, the interim order that is passed under Section 17 of the Act is more in the nature of an interim measure to ensure that the claimant is not left high and dry after an award is passed in their favour and that some security is available to enable the claimant to ultimately see the colour of the coin. However, this does not mean that the interim measure will virtually tantamount to granting the final relief to the claimant. That goes beyond the object of Section 17 of the Act.

The apprehension of the 1st respondent / claimant is that if the amount that lies in the bank is permitted to be operated by the appellants, they may take away the entire amount and the claimant will not have any security to ultimately recover the amount from the appellants. In such a scenario, the interim measure ought to have been to restrain the appellants from withdrawing the amount until some security is given at least for the admitted liability. However, the arbitrator has not only restrained the bank from disbursing the amount to the 1st appellant but also has directed the bank to remit the amount to the 1st respondent / claimant. Such interim order virtually takes away the right of defence for the appellants and it also tantamount to passing a final order without even affording an opportunity to the appellants.

In the light of the above discussion, this Court is inclined to modify the interim order passed by the Arbitrator. Accordingly, there shall be a direction to the Garnishee namely State Bank of India not to disburse any amount up to a limit of Rs.27,27,739.73 to the 1st appellant or to anyone claiming under him. The garnishee shall also not remit the amount to the 1st respondent / claimant till final adjudication happens before the Arbitrator. It is also left open to the appellants to file an application before the Arbitrator seeking for lifting the garnishee order by raising all the grounds. On such filing of application, the 1st respondent / claimant shall be provided an opportunity and an order shall be passed by the learned Arbitrator, within a period of four weeks from the date of filing of the application by the appellants to lift the garnishee order.

The above order will sufficiently balance the rights of both the parties. This Court intentionally did not go into the merits of the case since it may have a bearing in the proceedings that are pending before the learned Arbitrator.

4

FROM THE GOVERNMENT



- IN THE MATTER OF STRIKING OFF OR REMOVAL OF NAMES OF LLPs UNDER SECTION 75 OF THE LLP ACT, 2008 AND RULES 37(1) (B) AND RULE 37 (2) OF THE LLP RULES, 2009 IN RESPECT OF:- 17LLPs
- IN THE MATTER OF 123 LIMITED LIABILITY PARTNERSHIPS (LIST ENCLOSED)
- NOTICE BY REGISTRAR OF REMOVAL OF NAME OF A LIMITED LIABILITY PARTNERSHIP FROM THE REGISTER
- PARTICIPATION BY NON-RESIDENT INDIANS (NRIs), OVERSEAS CITIZENS OF INDIA (OCIs) AND RESIDENT INDIAN (RI) INDIVIDUALS IN SEBI REGISTERED FPIs BASED IN INTERNATIONAL FINANCIAL SERVICES CENTRES IN INDIA
- STATUTORY COMMITTEES AT MARKET INFRASTRUCTURE INSTITUTIONS (MIIs)
- SYSTEM AUDIT OF PROFESSIONAL CLEARING MEMBERS (PCMs)
- INTRODUCTION OF A SPECIAL CALL AUCTION MECHANISM FOR PRICE DISCOVERY OF SCRIPS OF LISTED INVESTMENT COMPANIES (ICs) AND LISTED INVESTMENT HOLDING COMPANIES (IHCs)
- MODIFICATION IN DURATION FOR CALL AUCTION IN PRE-OPEN SESSION FOR INITIAL PUBLIC OFFER (IPO) AND RELISTED SCRIPS
- CONTRIBUTION TO CORE SETTLEMENT GUARANTEE FUND AND DEFAULT WATERFALL FOR LIMITED PURPOSE CLEARING CORPORATION (LPCC)
- MODIFICATION IN FRAMEWORK FOR OFFER FOR SALE (OFS) OF SHARES TO EMPLOYEES THROUGH STOCK EXCHANGE MECHANISM
- (A) EASE OF DOING INVESTMENTS- NON-SUBMISSION OF 'CHOICE OF NOMINATION'
 - (I) DOING AWAY WITH FREEZING OF DEMAT ACCOUNTS AND MUTUAL FUND FOLIOS FOR EXISTING INVESTORS;
 - (II) TO REMOVE FREEZE ON PAYMENT OF CORPORATE BENEFITS AND SERVICE OF PHYSICAL FOLIOS;
- (B) ONLY 3 FIELDS TO BE PROVIDED MANDATORILY FOR UPDATING NOMINATION DETAILS
- UPLOADING OF KYC INFORMATION BY KYC REGISTRATION AGENCY (KRAS) TO CENTRAL KYC RECORDS REGISTRY (CKYCR)
- FRAMEWORK OF "FINANCIAL DISINCENTIVES FOR SURVEILLANCE RELATED LAPSES" AT MARKET INFRASTRUCTURE INSTITUTIONS
- ENHANCEMENT OF OPERATIONAL EFFICIENCY AND RISK REDUCTION - PAY-OUT OF SECURITIES DIRECTLY TO CLIENT DEMAT ACCOUNT
- DISCLOSURES OF MATERIAL CHANGES AND OTHER OBLIGATIONS FOR FOREIGN PORTFOLIO INVESTORS
- FRAMEWORK FOR PROVIDING FLEXIBILITY TO FOREIGN PORTFOLIO INVESTORS IN DEALING WITH THEIR SECURITIES POST EXPIRY OF THEIR REGISTRATION
- PRIORITY SECTOR LENDING – AMENDMENTS TO THE MASTER DIRECTIONS
- INTERNATIONAL TRADE SETTLEMENT IN INDIAN RUPEES (INR) – OPENING OF ADDITIONAL CURRENT ACCOUNT FOR SETTLEMENT OF TRADE TRANSACTIONS
- EXPORT-IMPORT BANK OF INDIA (EXIM BANK)'S GOVERNMENT OF INDIA-SUPPORTED LINE OF CREDIT OF USD 23.37 MN TO THE GOVERNMENT OF THE CO-OPERATIVE REPUBLIC OF GUYANA (GO-GUY), FOR PROCUREMENT OF TWO HINDUSTAN 228-201 AIRCRAFT FROM HINDUSTAN AERONAUTICS LTD.
- FOREIGN EXCHANGE MANAGEMENT (OVERSEAS INVESTMENT) DIRECTIONS, 2022 - INVESTMENTS IN OVERSEAS FUNDS
- AMENDMENT TO MASTER DIRECTION - RESERVE BANK OF INDIA (INTEREST RATE ON DEPOSITS) DIRECTIONS, 2016



Corporate Laws

01 In the Matter of Striking off or Removal of Names of LLPs Under Section 75 of the LLP Act, 2008 and Rules 37(1) (B) and Rule 37 (2) of The LLP Rules, 2009 In Respect of:- 17LLPs

[Issued by the Ministry of Corporate Affairs No. No.ROC-G/LLP/Web Publication/2024/540 dated 26.06.2024.]

Notice is hereby given pursuant to Rule 37 (2) of Limited Liability Partnership Rules, 2009 that following Limited Liability of Partnerships had filed application in Form LLP-24 under section 75 of the LLP Act, 2008 and Rule 37(1) (b) of the LLP Rules, 2009 for removal of its/their name(s) from the register of LLPs and liable to be struck off under section 75 of LLP Act, 2008. The list of 17 LLPs is being sent herewith for publication in the web site of the Ministry of Corporate Affairs:-

S. No.	LLPIN	LLP Name
1	AAU-4595	PRIMERO TECHNOLOGY & INNOVATIONS LLP
2	AAR-0552	GEMSTAA EVENTS LLP
3	AAQ-1239	APOGEE GEOSMART LLP
4	AAM-7999	R D REALCON LLP
5	AAI-2110	INTELLIGENCE ARBITRATION INSTITUTION (INDIA) LLP
6	ABZ-6711	KLIMA RESOURCES LLP
7	ABC-6743	GSARTHI AGRO LLP
8	ABA-9548	ASTERBOTTEGA LLP
9	ABA-6297	AMBROSIA FOODWORKS MANAGEMENT LLP
10	AAV-7559	MAHAKAUSHAL FOODS AND AGRO LLP
11	AAV-0569	INVESTMENTS & STORIES LLP
12	AAS-8414	SIYAGANJWALA.COM LLP
13	AAS-1971	PODDAR HOMES LLP
14	AAQ-4220	FIVE OWL FILMS MEDIA LLP
15	AAM-4515	BOCCABUONA HOSPITALITY LLP
16	AAL-1751	MAVEN SKILL VENTURE LLP
17	AAC-1749	DIVYA CONSOLIDATED LLP

Any person objecting to the proposed removal or striking off of name of the LLPs from the register of LLPs may send his or her objection to the office address here above within 30 days from the date of publication of this notice.

MUKESH KUMAR SONI, RoC

02 In the matter of 123 Limited Liability Partnerships (list enclosed)

[Issued by the Ministry of Corporate Affairs File. No ROC/LLP Form-24/Sec.75-Rule-37(2)/Nos.123/2024 dated 25.06.2024.]

In the matter of 123 Limited Liability Partnerships (list enclosed)

And

In the matter of Limited Liability Partnership Act, 2008 and Rules made thereunder,

- (1) Notice is hereby given that 123 LLPs (list enclosed) have made application in Form-24 to the Registrar, for striking off their names from the register, pursuant to sub-rule (1) (b) of Rule 37 of LLP Rules, 2009 and read with Section 75 of the LLP Act, 2008.
- (2) Pursuant to sub-rule (2) of Rule 37 of LLP Rules, 2009, the list of 123 LLP names is hereby placed on the website (www.mca.gov.in) for information of the public for a period of one month.
- (3) Notice is hereby given that unless a cause to the contrary is shown within the time of one month, the names of the 123 LLPs (mentioned in the enclosed list) shall be struck off from the Register and the said LLPs names will be published in the official Gazette and shall be dissolved on such Gazette publication.

PARVINDER SINGH, I.C.L.S

Complete details are not published here for want of space. For complete notification readers may log on to www.mca.gov.in

03 Notice by Registrar of removal of name of a Limited Liability Partnership from the Register

[Issued by the Ministry of Corporate Affairs File. ROC/LLP Form-24/Sec.75-Rule-37 (2)/Nos.210/2024. dated 11.06.2024.]

Notice is hereby given under sub-Rule (3) of Rule 37 of LLP Rules, 2009 that the names of the 210 Limited Liability Partnerships as per list attached have been struck off from the Register and the said Limited Liability Partnerships stand dissolved.

ANUMULA SRIKAR, I.C.L.S

Complete details are not published here for want of space. For complete notification readers may log on to www.mca.gov.in

04 Participation by Non-Resident Indians (NRIs), Overseas Citizens of India (OCIs) and Resident Indian (RI) individuals in SEBI registered FPIs based in International Financial Services Centres in India

[Issued by the Securities and Exchange Board of India vide Circular SEBI/HO/AFD/AFD-POD-2/P/CIR/2024/89 dated 27.06. 2024]

1. SEBI vide Master Circular for Foreign Portfolio Investors, Designated Depository Participants and Eligible Foreign Investors No. SEBI/HO/AFD/AFD-PoD-2/P/CIR/P/2024/70 dated May 30, 2024

("FPI Master Circular") has, inter alia, specified the conditions for participation by NRIs, OCl and RI individuals in FPIs.

2. SEBI (Foreign Portfolio Investors) Second Amendment Regulations, 2024 were notified on June 26, 2024, amending the SEBI (Foreign Portfolio Investors) Regulations, 2019 ("FPI Regulations, 2019"), to inter alia, provide flexibility of having up to hundred percent aggregate contribution by NRIs, OCl and RI individuals in the corpus of FPIs based in International Financial Services Centres ("IFSCs") in India and regulated by International Financial Services Centres Authority ("IFSCA"). In view of the amendments to the FPI Regulations, 2019, the FPI Master Circular stands modified as follows:

2.1. The existing sub-para 1(ii)(e) and 1(ii)(f) of Part A shall be renumbered as sub-para 1(ii)(f) and 1(ii)(g), respectively.

2.2. After sub-para 1(ii)(d) of Part A, the following sub-para shall be inserted:

"e. The provisions of sub-clause (ii) of clause (c) of Regulation 4 of the FPI Regulations, 2019 shall not be applicable to an applicant based in IFSCs in India and regulated by IFSCA, subject to the following conditions:

MANISH KUMAR JHA
Deputy General Manager

Complete details are not published here for want of space. For complete notification readers may log on to www.sebi.gov.in

05 Statutory Committees at Market Infrastructure Institutions (MIIs)

[Issued by the Securities and Exchange Board of India vide Circular SEBI/HO/MRD/MRD-PoD-3/2024/088 dated 25.06. 2024]

1. In order to ensure effective oversight of the functioning of Stock Exchanges, Clearing Corporations and Depositories (hereinafter collectively referred as Market Infrastructure Institutions (MIIs)), SEBI at Paragraph 2.2 of Chapter 6 of Master Circular No. SEBI/HO/MRD2/PoD-2/CIR/P/2023/171 dated October 16, 2023 for 'Stock Exchanges and Clearing Corporations' and at paragraph 4.66 of Master Circular No. SEBI/HO/MRD/MRD-PoD-2/P/CIR/2023/166 dated October 06, 2023 for 'Depositories', prescribed the guidelines with regard to the functions and composition of various statutory committees of MIIs.
2. Regulation 29 of Securities Contracts (Regulation) (Stock Exchanges and Clearing Corporations) Regulations, 2018 (hereinafter referred as "SECC Regulations, 2018") & Regulation 30 of Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018 (hereinafter referred as "D&P Regulations, 2018"), inter alia, state that, MIIs shall have the following statutory committees:

2.1. Functional Committees:

2.1.1. Member Committee (MC)¹ and

2.1.2. Nomination and Remuneration Committee (NRC)

2.2. Oversight Committees:

2.2.1. Standing Committee on Technology (SCOT)

2.2.2. Regulatory Oversight Committee (ROC) and

2.2.3. Risk Management Committee (RMC)

2.3. Investment Committee

3. Based on the recommendations of the Committee on Strengthening Governance of Market Infrastructure Institutions, the functions, composition and Terms of Reference (TOR) of the statutory committees of MIIs were further deliberated in the Industry Standards Forum (ISF) of MIIs.
4. Taking into consideration the recommendations of the ISF of MIIs and subsequent deliberations, the revised TOR of statutory committees of MIIs is provided at Annexure-A.

HRUDA RANJAN SAHOO
Deputy General Manager

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06 System Audit of Professional Clearing Members (PCMs)

[Issued by the Securities and Exchange Board of India vide Circular SEBI/HO/MRD/TPD/P/CIR/2024/84 dated 20.06. 2024]

1. SEBI vide Master Circular No. SEBI/HO/MRD2/PoD-2/CIR/P/2023/171 dated October 16, 2023 at Clause 8.2 of Chapter 2 has specified the comprehensive framework for System Audit of Stock Brokers (SBs)/ Trading Members (TMs).
2. Based on the discussions with Clearing Corporations (CCs) and Technical Advisory Committee (TAC) of SEBI, it has been decided to devise the framework for system audit of Professional Clearing Members (PCMs).
3. In view of the same, PCMs are required to conduct System Audit as per the framework enclosed as Annexure 1 and Terms of Reference (TOR) enclosed as Annexure 2. PCMs are also required to maintain a list of all the relevant SEBI and CCs circulars/ directions/ advices, etc. pertaining to technology and compliance thereof, as per format enclosed as Annexure 3 and the same shall be included under the scope of System Audit.
4. PCMs are also required to submit information with regard to exceptional major Non-Compliances (NCs)/ minor NCs observed in the System Audit as per format enclosed as Annexure 4 and are required

to categorically highlight those observations/NCs/suggestions pointed out in the System Audit (current and previous) which remain open.

5. The Systems Audit report including compliance with SEBI/CCs circulars/guidelines and exceptional observation format along with compliance status of previous year observations shall be placed before the Governing Board of the PCM and then the report along with the comments of the Management of the PCM shall be communicated to CCs within one month of completion of audit.
6. All CCs are jointly advised to devise the appropriate uniform penalty structure for PCMs to ensure that system audit reports are submitted to them within defined timelines as well as audit observations are closed within defined timelines.
7. The provisions of the Circular shall come into force with immediate effect. The first audit shall be conducted for FY 2023-24.
8. The circular is issued with the approval of the competent authority.
9. This circular is being issued in exercise of the powers conferred by Section 11(1) of Securities and Exchange Board of India Act, 1992 to protect the interest of investors in securities market and to promote the development of, and to regulate the securities market.
10. This circular is available on SEBI website at www.sebi.gov.in at "Legal Framework – Circulars".

ANSUMAN DEV PRADHAN

Deputy General Manager

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07 Introduction of a special call auction mechanism for price discovery of scrips of listed Investment Companies (ICs) and listed Investment Holding Companies (IHCs)

[Issued by the Securities and Exchange Board of India vide Circular SEBI/HO/MRD/MRD-PoD-3/P/CIR/2024/86 dated 20.06. 2024]

1. Paragraph 17 of Chapter 1 of SEBI Master Circular No. SEBI/HO/MRD2/POD-2/CIR/P/2023/171 dated October 16, 2023 for "Stock Exchanges and Clearing Corporations" prescribed the framework for call auction session. The framework for call auction is applicable for pre-open sessions; pre-open sessions for Initial Public Offer (IPO) & relisted scrips; and illiquid Scrips.
2. It is observed that scrips of a few listed ICs and IHCs are being traded infrequently and at a price which is significantly lower than the book value disclosed by these companies in their latest audited financial statements. Moreover, these companies generally have no day-to-day operations and hold investments in different asset classes including in scrips of other listed companies.

3. The variance in the market price and book value of such ICs and IHCs is adversely affecting liquidity, fair price discovery and the overall interest of investors in scrips of such companies.
4. In order to address the above concern, based on the deliberations with various stakeholders including stock exchanges, public comments and recommendations of Secondary Market Advisory Committee of SEBI, it has been decided to put in place a framework for "special call auction with no price bands" for effective price discovery of scrips of such ICs and IHCs.
5. The operational guidelines in this regard are as under:
 - 5.1. Criteria for identification of ICs or IHCs eligible for special call-auction:
 - i. The ICs or IHCs shall be identified based on the uniform industry classifications provided by stock exchanges.
 - ii. The scrip of ICs or IHCs should have been listed and available for trading for a period of at least 1 year and the said scrips are not suspended for trading.
 - iii. Total assets of the company invested in scrips of other listed companies shall be at least 50%;
 - iv. The 6-month Volume Weighted Average Price (VWAP) of the scrip shall be less than 50% of the book value per share of such company based on present value of their investments in shares of other listed companies. In case the scrips of such ICs or IHCs are not traded during the previous 6-months, the 6-months VWAP of the scrip shall be taken as zero.

HRUDA RANJAN SAHOO

Deputy General Manager

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08 Modification in duration for Call Auction in pre-open session for Initial Public Offer (IPO) and Relisted scrips

[Issued by the Securities and Exchange Board of India vide Circular SEBI/HO/MRD/MRD-PoD-3/P/CIR/2024/85 dated 20.06. 2024]

1. Paragraph 17.2 of Chapter 1 of SEBI Master Circular No. SEBI/HO/MRD2/POD-2/CIR/P/2023/171 dated October 16, 2023 for 'Stock Exchanges and Clearing Corporations' prescribed framework for call auction in pre-open session for Initial Public Offer (IPO) and relisted scrips.
2. It was observed that during the call auction in pre-open session for certain IPO and relisted scrips, orders were placed at higher price in large volumes and significant portion of such orders were cancelled just before the closure of call auction session. This may

have created false demand and supply and possibly manipulating the price of the scrips to the detriment of common investors.

3. In order to curb the misuse of the call auction session, based on the report of Working Group of Stock Exchanges and recommendations of Secondary Market Advisory Committee of SEBI, it has been decided to modify the current provisions related to call auction session for IPO & relisted scrips and introduce additional surveillance measures at stock exchanges.
4. Accordingly, paragraph 17.2.1 of the aforesaid Master Circular has been modified as under:

“17.2.1 Duration of Session

17.2.1.1. The session shall be for a duration of 60 minutes i.e. from 9:00 a.m. to 10:00 a.m., out of which 45 minutes shall be allowed for order entry, order modification and order cancellation, 10 minutes for order matching and trade confirmation and the remaining 5 minutes shall be the buffer period to facilitate the transition from pre-open session to the normal trading session.

17.2.1.2. The session shall close randomly during last ten minutes of order entry i.e. anytime between 35th and 45th minute of the order entry window. Such random closure shall be system driven.”

HRUDA RANJAN SAHOO

Deputy General Manager

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09 Contribution to Core Settlement Guarantee Fund and Default Waterfall for Limited Purpose Clearing Corporation (LPCC)

[Issued by the Securities and Exchange Board of India vide Circular SEBI/HO/MRD/MRD-PoD-2/P/CIR/2024/83 dated 19.06. 2024]

1. Para 6.5, 6.8 and Para 6.11 of Chapter 3 (Settlements) of the SEBI Master circular for Stock Exchanges and Clearing Corporations dated October 16, 2023 prescribe guidelines to the contributions by various contributors to Core SGF of Limited Purpose Clearing Corporation (“LPCC”) and Default waterfall of LPCC respectively.
2. Based on consultations with various stakeholders, SEBI notified the Securities Contracts (Regulation) (Stock Exchanges and Clearing Corporations) (Second Amendment) Regulations, 2023 (SECC Amendment Regulations, 2023) on July 24, 2023 to enable direct participation by participants in the LPCC for transacting in tri-party repo for corporate bonds. Accordingly, following Para (6.5.1.4) shall be included and Para 6.8.2 and 6.11.1 shall be revised and read as follows:

6.5. Contribution to Core SGF of Limited Purpose Clearing Corporation

6.5.1.4. Participants contribution:

Contribution of Participants who desire direct participation and not through a clearing member to Core SGF shall be risk based and equivalent to deficit in MRC post contribution by Issuers and Clearing Members. The said contribution by Participants shall be subject to the following conditions:

that no exposure shall be available on Core SGF contribution of any Participant (exposure-free collateral of participants available with CC can be considered towards Core SGF contribution of Participants), and that required contributions of individual Participants shall be pro-rata based on the risk they bring to the system.

LPCC shall have the flexibility to collect Participant primary contribution, including flexibility to either collect the Participant primary contribution upfront or staggered over a period of time. In case LPCC does not seek contribution from Participants or seeks staggered contribution, the remaining balance shall be met by LPCC to ensure adequacy of total Core SGF corpus at all times. Such LPCC contribution shall be available to LPCC for withdrawal as and when further contributions from Participants are collected / received.

The term ‘Participant’ would be construed as defined in the Regulation 10A (1) of the SEBI (Stock Broker) Regulations 1992.

VISHAL SHUKLA

General Manager

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10 Modification in Framework for Offer for Sale (OFS) of Shares to Employees through Stock Exchange Mechanism

[Issued by the Securities and Exchange Board of India vide Circular SEBI/HO/MRD/MRD-PoD-3/P/CIR/2024/82 dated 14.06. 2024]

1. SEBI vide Master Circular No. SEBI/HO/MRD2/PoD-2/CIR/P/2023/171 dated October 16, 2023 at paragraph 19 of Chapter 1 has specified the comprehensive framework on Offer for Sale (OFS) of shares through stock exchange mechanism. Further, SEBI vide Circular No. SEBI/HO/MRD/MRD-PoD-3/P/CIR/2024/6 dated January 23, 2024 issued Framework for Offer for Sale (OFS) of Shares to Employees through Stock Exchange Mechanism.

2. Paragraph 5 of SEBI Circular dated January 23, 2024 prescribed the procedure for offering of shares to the employees in OFS through stock exchanges. Paragraphs 5 (i) and (vi) of the said circular states as under:

"5. (i) OFS to employees shall be on T+1 day along with the retail category under a new category called as "Employee".

(vi) Employees shall place bids only at cut-off price of T+1 day. The allotment price shall be based on the Cut-off of the retail category, subject to discount, if any."

3. Based on the feedback received from certain stakeholders and deliberations in the Secondary Market Advisory Committee of SEBI (SMAC), it has been decided that employees shall place bids on T+1 day at cut-off price of T day.
4. Accordingly, paragraph 5(vi) of SEBI Circular dated January 23, 2024 shall be read as under:
- "5. (vi) Employees shall place bids only at cut-off price of T day. The allotment price shall be based on the Cut-off of the T day, subject to discount, if any."*
5. All other provisions of the aforesaid circulars shall remain unchanged.
6. The provisions of this circular shall come into effect from 30th day of issuance of this circular.
7. All MIIs are advised to:
- take necessary steps and put in place necessary systems for implementation of the above.
 - make necessary amendments to the relevant bye-laws, rules and regulations, wherever required, for the implementation of the above; and
 - bring the provisions of this circular to the notice of the market participants (including investors) and disseminate the same on their website.
8. This circular is issued in exercise of the powers conferred under section 11(1) of the Securities and Exchange Board of India Act 1992 read with regulation 51 of the Securities Contracts (Regulation) (Stock Exchanges and Clearing Corporations) Regulations, 2018, section 26(3) of the Depositories Act, 1996 and regulation 97 of Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018 to protect the interests of investors in securities and to promote the development of, and to regulate the securities market.
9. This circular is available on SEBI website at www.sebi.gov.in at "Legal Framework - Circulars."

HRUDA RANJAN SAHOO
Deputy General Manager

11

(a) Ease of Doing Investments- Non-submission of 'Choice of Nomination'

- Doing away with freezing of Demat Accounts and Mutual Fund Folios for existing investors;
- To remove freeze on payment of corporate benefits and service of physical folios;

(b) Only 3 fields to be provided mandatorily for updating Nomination Details

[Issued by the Securities and Exchange Board of India vide Circular SEBI/HO/MIRSD/POD-1/P/CIR/2024/81 dated 10.06. 2024]

- SEBI, vide circular no. SEBI/HO/MIRSD/POD-1/CIR/2023/193 dated December 27, 2023 extended the last date for submission of 'choice of nomination' for demat accounts and mutual fund folios to June 30, 2024 failing which demat accounts/folios shall be frozen for debits.
- Further, as provided in Master Circular for RTAs dated May 07, 2024, the security holders holding securities in physical form whose folio(s) do not have PAN, Choice of Nomination, Contact Details, Bank Account Details and Specimen Signature updated, shall be eligible:
 - to lodge grievance or avail any service request from the RTA only after furnishing PAN, KYC details and Nomination.
 - for any payment including dividend, interest or redemption payment in respect of such folios, only through electronic mode with effect from April 01, 2024. An intimation shall be sent by the Listed Company to the security holder that such payment is due and shall be made electronically only upon complying with the above requirements.
- Based on representations received from the market participants, for ease of compliance and investor convenience, the following has been decided for existing investors/ unitholders:
 - Non-submission of 'choice of nomination' shall not result in freezing of Demat Accounts as well as Mutual Fund Folios.
 - Securityholders holding securities in physical form shall be eligible for receipt of any payment including dividend, interest or redemption payment as well as to lodge grievance or avail any service request from the RTA even if 'choice of nomination' is not submitted by these securityholders.
 - Payments including dividend, interest or redemption payment withheld presently by the Listed Companies/RTAs, only for want of 'choice of nomination' shall be processed accordingly.

ARADHANA VERMA

General Manager

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12 Uploading of KYC information by KYC Registration Agencies (KRAs) to Central KYC Records Registry (CKYCRR)

[Issued by the Securities and Exchange Board of India vide Circular SEBI/HO/MIRSD/SECFATF/P/CIR/2024/79 dated 06.06.2024]

1. The KYC record of a client is uploaded on the system of KRAs by the intermediaries performing client due diligence as per the provisions of SEBI KRA Regulations, 2011. Additionally, the KYC information is uploaded on CKYCRR by the intermediaries in terms of SEBI master circular SEBI/HO/MIRSD/SECFATF/P/CIR/2023/169 dated Oct 12, 2023 on KYC norms in securities market.
2. In this regard, based on the feedback received from stakeholders in securities market and to enable ease of doing business, the following clauses of the SEBI master circular on KYC norms stand modified.
 - 2.1. Para 114 (a) shall be inserted as under:

Registered intermediaries shall continue to upload/ download/ modify the KYC information with proper authentication on the systems of KRA, as per the provisions of SEBI KRA Regulations, 2011.
 - 2.2. Para 115 of the master circular shall read as under:

KRAs shall upload the verified/ validated KYC information onto the system of CKYCRR within 7 days of receiving the same from intermediaries or any other timeline as notified under PML Rules. The KRAs shall integrate their systems with CKYCRR and commence the uploading of KYC records on CKYCRR from August 01, 2024.
 - 2.3. Para 116 of the master circular shall read as under:

KRAs shall ensure that existing KYC records of legal entities and of individual clients are uploaded on to CKYCRR within a period of 6 months from August 01, 2024.
3. This circular is issued in exercise of powers conferred under Section 11(1) of the Securities and Exchange Board of India Act, 1992 and Regulation 17 of the SEBI{KYC (Know Your Client) Registration Agency}Regulations, 2011 to protect the interests of investors in securities and to promote the development of, and to regulate the securities markets.
4. This circular is available at www.sebi.gov.in under the link "Legal --- Circulars".

SAPNA SINHA
Deputy General Manager

13 Framework of "Financial Disincentives for Surveillance Related Lapses" at Market Infrastructure Institutions

[Issued by the Securities and Exchange Board of India vide Circular SEBI/HO/ISD/ISD-PoD-1/P/CIR/2024/73 dated 06.06.2024]

1. Market infrastructure Institutions (i.e. Stock Exchanges, Clearing Corporations and Depositories) are systemically important institutions for the development of the securities market. The role of surveillance at Market Infrastructure Institutions ("MIIs") has become crucial in ensuring the safety and integrity of securities market in view of the significant increase in trading activity during the past few years, increased participation by retail individual investors, increased trading activity in the derivatives segment and deployment of new trading techniques and strategies by market participants.
2. MIIs, being the first-level regulators, are expected to be in the know of the ground realities of the securities market and their constituents and updations thereof. The MIIs, supervise their members in terms of the respective by-laws framed under the Securities Contracts (Regulation) Act, 1956 ("SCRA") / Depositories Act, 1996. They need to be well equipped to detect market abuse, including new modus-operandi that could be adopted by unscrupulous elements and take suitable, prompt, effective and preventive action against such activities.
3. The Securities and Exchange Board of India Act, 1992 ("SEBI Act, 1992") inter alia requires the Securities and Exchange Board of India ("SEBI") to protect the interest of investors in securities and to regulate the market through measures that may provide for regulating the business in the stock exchanges and the working of the depositories.
4. Regulation 49 (2) of the Securities Contracts (Regulation) (Stock Exchanges and Clearing Corporations) Regulations, 2018 ("SECC Regulations, 2018") empowers SEBI to take action against a recognised stock exchange or recognised clearing corporation for any contravention of the SCRA, the SEBI Act, 1992, any rules or regulations framed thereunder and any circulars or directions issued by SEBI. Similarly, Regulation 91A (2) of the Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018 ("DP Regulations, 2018") empowers SEBI to take action against a depository for any contravention of the SEBI Act, 1992, the Depositories Act, 1996, any rules or regulations framed thereunder and any circulars or directions issued by SEBI.
5. As per Regulation 28 (2) read with Part-C of Schedule II of the SECC Regulations, 2018, the surveillance function of a Stock Exchange is considered as a core function. Similarly, Regulation 2 (k) (iii) read with Fourth Schedule of the DP Regulations, 2018 classifies surveillance as part of the core functions of the Depository.

VERSHA AGARWAL
General Manager

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14

Enhancement of operational efficiency and Risk Reduction - Pay-out of securities directly to client demat account

[Issued by the Securities and Exchange Board of India vide Circular SEBI/HO/MIRSD/MIRSD-PoD1/P/CIR/2024/75 dated 05.06.2024]

- SEBI, vide Master Circular for Stock Brokers dated May 22, 2024, inter alia, specified various processes for handling of clients' securities with regard to pay-in and pay-out of securities. This is to protect clients' securities and to ensure that the stock broker segregates securities of the client or clients so that they are not vulnerable to misuse.
- The matter related to the funds of the clients has been addressed through upstreaming and downstreaming of funds mechanism. The matter related to flow of securities also needs to be addressed for the payout of securities. Currently, the securities received in payout are pooled by the broker and then credited to the respective client demat accounts.
- It is to be mentioned that the direct payout to client account was already facilitated on voluntary basis vide circular SMDRP/Policy/Cir-05/2001 dated February 01, 2001. It has been decided that the process of securities payout directly to the client account shall now be mandatory.
- SEBI had extensive discussions with the Stock Exchanges, Clearing Corporations (CCs) and Depositories. The proposal was also discussed in the meeting of Intermediary Advisory Committee and with Broker's Industry Standards Forum (ISF), which comprise of industry representatives. Accordingly, after extensive deliberations, the following has been decided:
 - The securities for pay-out shall be credited directly to the respective client's demat account by the CCs.
 - CCs shall provide a mechanism for Trading Member(TM)/Clearing Members (CM) to identify the unpaid securities and funded stocks under the margin trading facility.
 - With regard to unpaid securities, the processes as specified at para 45 of SEBI "Master Circular for Stock Brokers" dated May 22, 2024 shall be applicable.
 - With regard to funded stocks under the margin trading facility, para 41.9 of SEBI "Master Circular for Stock Brokers" dated May 22, 2024, is amended as follows.

"41.9. Funded stocks held by the TM / CM under the margin trading facility shall be held by the TM / CM only by way of pledge. For this purpose, the TM / CM shall be required to open a separate demat account tagged 'Client Securities under Margin Funding Account' in which only funded stocks in respect of margin funding shall be kept/ transferred, and no other transactions shall be permitted. Such funded stocks shall be transferred to

respective client's demat account followed by creation of an auto-pledge (i.e., without the requirement of a specific instruction from the client) with suitable reason, in favor of 'Client Securities under Margin Funding Account'."

ARADHANA VERMA
General Manager

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15

Disclosures of Material Changes and Other Obligations for Foreign Portfolio Investors

[Issued by the Securities and Exchange Board of India vide Circular SEBI/HO/AFD/AFD-POD-2/P/CIR/2024/76 date 05.06.2024]

- SEBI vide "Master Circular for Foreign Portfolio Investors, Designated Depository Participants and Eligible Foreign Investors" No. SEBI/HO/AFD/AFD-POD-2/P/CIR/P/2024/70 dated May 30, 2024 (hereinafter referred to as the 'FPI Master Circular') has, inter alia, specified the timelines for disclosure of certain material changes/events.
- SEBI (Foreign Portfolio Investors) (Amendment) Regulations, 2024 were notified on June 03, 2024, amending the SEBI (Foreign Portfolio Investors) Regulations, 2019, inter alia, to relax the timelines for disclosure of material changes/events and other obligations by Foreign Portfolio Investors (FPIs).
- In view of the above amendments, the FPI Master Circular stands modified as follows:
 - Para 14 of Part A stands modified as under:
 - In terms of Regulation 22, if there is any change in the material information previously furnished by the FPI to the DDP and/or SEBI, which has a bearing on the certificate granted by the DDP on behalf of the Board, it shall inform the DDP and/or the Board in writing, in the following manner:
 - 'Type I' material changes shall be informed by FPIs as soon as possible and within seven working-days of the occurrence of the change and the supporting documents (if any) shall be provided within 30 days of such change. This category shall include critical material changes that
 - render the FPI ineligible for registration
 - require FPI to seek fresh registration
 - render FPI ineligible to make fresh purchase of securities
 - impact any privileges (e.g. QIB) available or granted to the FPI under the extant regulatory framework
 - impact any exemptions available or granted to the FPI under the extant regulatory framework

MANISH KUMAR JHA
Deputy General Manager

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16

Framework for providing flexibility to Foreign Portfolio Investors in dealing with their securities post expiry of their registration

[Issued by the Securities and Exchange Board of India vide Circular SEBI/HO/AFD/AFD-PoD-2/P/CIR/2024/77 dated 05.06.2024]

1. SEBI vide “Master Circular for Foreign Portfolio Investors, Designated Depository Participants and Eligible Foreign Investors” No. SEBI/HO/AFD/AFD-PoD-2/P/CIR/P/2024/70 dated May 30, 2024 (hereinafter referred to as the ‘FPI Master Circular’) has, inter alia, specified the guidelines for registration of FPIs and the investment conditions/ restriction on FPIs under Part A and Part C of the FPI Master Circular respectively. The FPI Master Circular has been amended vide SEBI Circular No. SEBI/HO/AFD/AFD-POD-2/P/CIR/2024/76 dated June 05, 2024. Further, SEBI vide Master Circular for Custodians No. SEBI/HO/AFD/AFD-PoD-2/P/CIR/2024/40 dated May 10, 2024 (hereinafter referred to as the ‘Custodian Master Circular’) has, inter alia, specified the reporting requirements for Custodians under Chapter IV of the Custodian Master Circular.
2. SEBI (Foreign Portfolio Investors) (Amendment) Regulations, 2024 were notified on June 03, 2024, amending the SEBI (Foreign Portfolio Investors) Regulations, 2019, inter alia, for providing flexibility to Foreign Portfolio Investors (FPIs) in dealing with their securities post expiry of their registration.
3. In view of the amendments to the SEBI (FPI) Regulations, 2019 referred to at Para 2 above, the FPI Master Circular stands modified as follows:

3.1. Para 4 of Part A of the FPI Master Circular stands modified as under:

“4. Continuance of Registration

- i. FPIs who wish to continue with their registration for the subsequent block of three years, should pay the fees to their DDPs and inform change in information, if any, as submitted earlier.
- ii. In case of no change in information, FPIs shall give declaration that there is no change in the information, as previously furnished.
- iii. FPI shall provide the additional information, if applicable, along with supporting documents including fees for continuance of its registration at least 15 days prior to current validity of its registration in order to facilitate a smooth continuance process. FPI is required to submit a reason for delay, if any, in delayed submission of such information/fees.
- iv. If DDP is in receipt of registration fees prior to validity date but the due-diligence including KYC review is not complete by the validity date due to non-submission of information by the FPI, no further purchases may be permitted until intimation of continuance is given by DDP.

- v. An FPI who fails to pay the requisite fees before expiry of validity of its registration shall be permitted to pay the same along with a late fee and re-activate its registration within a period of 30 days from the date of such expiry. The re-activation of registration shall be subject to the FPI complying with applicable KYC and Anti Money Laundering/Countering the Financing of Terrorism (AML/CFT) requirements. The FPI shall be permitted to dispose the securities held in its account during the period from expiry of registration till re-activation of registration. However, no fresh purchases of securities shall be permitted from expiry of registration till re-activation of registration.
- vi. Where the FPI has not paid fees for continuance of its registration within the prescribed timelines, its FPI registration shall cease to be valid after the date, up to which, the last registration fees were duly paid by the FPI.
- vii. DDPs shall send suitable reminders to their respective FPI clients for renewal of registration well in advance of such expiry.
- viii. An FPI whose registration has expired and has failed to re-activate its registration within the prescribed time period, shall be permitted to dispose the securities held in its account within 180 days from the expiry of the prescribed 30 days’ time period for reactivation of registration. The remittance of sale proceeds to the FPI shall be subject to applicable KYC, AML/CFT requirements.
- ix. It is clarified that till the expiry of the aforementioned 180-day period the monetary/non-monetary corporate benefits/voting rights with respect to such securities, if any, shall continue to accrue to the FPI.”

MANISH KUMAR JHA
Deputy General Manager

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17

Priority Sector Lending – Amendments to the Master Directions

[Issued by the Reserve Bank of India vide RBI/2024-25/44 FIDD.CO.PSD. BC.No.7/04.09.01/2024-25 dated 21.06.2024]

Please refer to Master Directions (MD) on Priority Sector Lending (PSL) dated September 04, 2020 as updated from time to time. The following paras of the Directions stand amended in view of factors detailed thereunder.

2. Para 7 - Adjustments for weights in PSL Achievement:

The MD specifies that the lists of districts with comparatively high and low PSL credit detailed in Annex IA and IB of the MD are valid until FY 2023-

24 subject to review thereafter. Based on a review, the lists of districts have been updated. These lists will remain valid until FY 2026-27 and will be reviewed thereafter. Accordingly, from FY 2024-25 onwards, a higher weight (125%) would be assigned to the incremental priority sector credit in the identified districts where the credit flow is comparatively lower (per capita PSL less than Rs 9,000), and a lower weight (90%) would be assigned for incremental priority sector credit in the identified districts where the credit flow is comparatively higher (per capita PSL greater than Rs 42,000). Therefore, para 7 of the MD on PSL has been updated as mentioned above.

3. Para 9 - Micro, Small & Medium Enterprises:

The definition of MSMEs has been referenced to the Master Direction - Lending to Micro, Small & Medium Enterprises (MSME) Sector, for clarity.

4. Para 27 - Monitoring of Priority Sector Lending targets:

The MD specifies that UCBs shall furnish data on priority sector advances in the reporting formats 'Statement I' and 'Statement II (Part A to D)' at quarterly and annual intervals, to the Regional Offices of DoS, RBI. This provision has been repealed in terms of Master Direction - Reserve Bank of India (Filing of Supervisory Returns) Directions – 2024 (MD on FSR) dated February 27, 2024. The applicable return for reporting PSL data by UCBs has been prescribed at Sl. No. 61 of Annex III of the MD on FSR. Accordingly, para 27 of MD as applicable to UCBs has been updated.

5. The relevant amendments made in the MD on PSL are detailed in the Annex.

6. The Master Directions and FAQs on Priority Sector Lending on the Bank's website have been updated accordingly.

NISHA NAMBIAR
Chief General Manager

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18 International Trade Settlement in Indian Rupees (INR) – Opening of additional Current Account for settlement of trade transactions

[Issued by the Reserve Bank of India vide RBI/2024-2025/43 FED Circular No. 11 dated 11.06.2024]

Attention of Authorised Dealer Category – I (AD Category – I) banks is invited to FED Circular No. 08 dated November 17, 2023, in terms of which, AD Category-I banks maintaining Special Rupee Vostro Account vide A.P. (DIR Series) Circular No.10 dated July 11, 2022 on International Trade Settlement in Indian Rupees (INR) were permitted to open an additional special current account for its constituents, exclusively for settlement of export transactions.

2. On a review, and to provide operational flexibility,

the facility of opening an additional special current account by the AD Category-I banks (maintaining Special Rupee Vostro Account in terms of the RBI circular dated July 11, 2022 referred above) for its constituents may be extended for settlement of their export as well as import transactions.

3. The contents of this circular may be brought to the notice of your constituents.

N. SENTHIL KUMAR
General Manager

19 Export-Import Bank of India (Exim Bank)'s Government of India-supported Line of Credit of USD 23.37 mn to the Government of the Co-operative Republic of Guyana (GO-GUY), for procurement of two Hindustan 228-201 aircraft from Hindustan Aeronautics Ltd.

[Issued by the Reserve Bank of India vide RBI/2024-2025/42 .P. (DIR Series) Circular No. 10 dated 11.06.2024]

Export-Import Bank of India (Exim Bank) has entered into an agreement dated March 15, 2024 with the Government of the Co-operative Republic of Guyana (GO-GUY), for making available to the latter, Government of India supported Line of Credit (LoC) of USD 23.37 mn (USD Twenty-Three Million Three Hundred Seventy Thousand Only) for procurement of two Hindustan 228-201 aircraft from Hindustan Aeronautics Ltd. The export of eligible goods and services from India, as defined under the agreement, would be allowed subject to their eligibility under the Foreign Trade Policy of the Government of India and whose purchase may be agreed to be financed by the Exim Bank under this agreement. Out of the total credit by Exim Bank under the agreement, goods, works and services of the value of at least 75 per cent of the contract price shall be supplied by the seller from India, and the remaining 25 per cent of goods and services may be procured by the seller for the purpose of the eligible contract from outside India.

2. The Agreement under the LoC is effective from April 08, 2024. Under the LoC, the last date for disbursement will be 48 months after scheduled completion date of the project.

3. Shipments under the LoC shall be declared in Export Declaration Form/Shipping Bill as per instructions issued by the Reserve Bank from time to time.

4. No agency commission is payable for export under the above LoC. However, if required, the exporter may use his own resources or utilize balances in his Exchange Earners' Foreign Currency Account for payment of commission in free foreign exchange. Authorised Dealer (AD) Category- I banks may allow such remittance after realization of full eligible value of export subject to compliance with the extant instructions for payment of agency commission.

5. AD Category – I banks may bring the contents of this circular to the notice of their exporter constituents

and advise them to obtain complete details of the LoC from the Exim Bank's office at Centre One, Floor 21, World Trade Centre Complex, Cuffe Parade, Mumbai 400 005 or from their website www.eximbankindia.in

6. The directions contained in this circular have been issued under section 10(4) and 11(1) of the Foreign Exchange Management Act (FEMA), 1999 (42 of 1999) and are without prejudice to permissions/ approvals, if any, required under any other law.

N SENTHIL KUMAR

General Manager

20 Foreign Exchange Management (Overseas Investment) Directions, 2022 - Investments in Overseas Funds

[Issued by the Reserve Bank of India vide RBI/2024-25/41 A.P. (DIR Series) Circular No. 09 dated 07.06.2024]

Attention of Category-I Authorised Dealer Banks is invited to Paragraph 1(ix)(e) of Foreign Exchange Management (Overseas Investment) Directions, 2022, issued vide A.P. (DIR Series) Circular No.12 dated August 22, 2022, in terms of which, investment (including sponsor contribution) in units of any investment fund overseas, duly regulated by the regulator for the financial sector in the host jurisdiction, shall be considered as Overseas Portfolio Investment. Further, as per the provisions of Paragraph 1(ix)(e) and Paragraph 24(1) of FEM (OI) Directions, 2022, investments can be made in "units" of investment funds.

2. In this regard, in view of the diverse regulatory framework governing investment funds across various jurisdictions and to provide clarity, the following amendments are carried out in the Foreign Exchange Management (Overseas Investment) Directions, 2022:

- (a) Existing Paragraph 1(ix)(e) of FEM (OI) Directions, 2022 is replaced with the following:

"The investment (including sponsor contribution) in units or any other instrument (by whatever name called) issued by an investment fund overseas, duly regulated by the regulator for the financial sector in the host jurisdiction, shall be treated as OPI. Accordingly, in jurisdictions other than IFSCs, listed Indian companies and resident individuals may make such investment. Whereas in IFSCs, an unlisted Indian entity also may make such OPI in units or any other instrument (by whatever name called) issued by an investment fund or vehicle, in terms of schedule V of the OI Rules subject to limits, as applicable."

Explanation: 'investment fund overseas, duly regulated' for the purpose of this para shall also include funds whose activities are regulated by financial sector regulator of host country or jurisdiction through a fund manager."

- (b) Existing Paragraph 24(1) of FEM (OI) Directions, 2022 is replaced with the following:

"A person resident in India, being an Indian entity or a resident individual, may make investment

(including sponsor contribution) in units or any other instrument (by whatever name called) issued by an investment fund or vehicle set up in an IFSC, as OPI. Accordingly, in addition to listed Indian companies and resident individuals, unlisted Indian entities also may make such investment in IFSC."

3. Foreign Exchange Management (Overseas Investments) Directions, 2022 issued vide A.P. (DIR Series) Circular No.12 dated August 22, 2022, shall accordingly be updated to reflect the above changes. AD Category-I Banks may bring the contents of this circular to the notice of their constituents.
4. The directions in this circular have been issued under Section 10(4) and 11(1) of the Foreign Exchange Management Act, 1999 (42 of 1999) and are without prejudice to permissions/approvals, if any, required under any other law.

N SENTHIL KUMAR

General Manager

21 Amendment to Master Direction - Reserve Bank of India (Interest Rate on Deposits) Directions, 2016

[Issued by the Reserve Bank of India vide RBI/2024-25/40 DoR.SPE.REC. No.24/13.03.00/2024-2025 dated 07.06.2024]

Please refer to paragraph 3(a)(i) of the Master Direction - Reserve Bank of India (Interest Rate on Deposits) Directions, 2016 dated March 03, 2016, wherein the definition of "Bulk Deposits" has been prescribed.

2. On a review, it has been decided to revise the definition of bulk deposits for all Scheduled Commercial Banks (excluding RRBs), Small Finance Banks and Local Area Banks. The term "Bulk Deposit" would now mean:
 - i. Single Rupee term deposits of Rupees three crore and above for Scheduled Commercial Banks (excluding RRBs) and Small Finance Banks.
 - ii. Single Rupee term deposits of Rupees one crore and above for Local Area Banks as applicable in case of Regional Rural Banks.
3. The relevant provisions of the Master Direction are being modified to reflect the changes as given in the Annex. All other instructions in this regard shall remain unchanged.
4. These instructions are issued in exercise of the powers conferred by Section 35A of the Banking Regulation Act, 1949.

Applicability

5. These instructions shall be applicable to all Scheduled Commercial Banks (excluding RRBs), Small Finance Banks and Local Area Banks.

Commencement

These instructions shall come into force with immediate effect.

LATHA VISHWANATH

Chief General Manager



THE INSTITUTE OF
Company Secretaries of India

भारतीय कम्पनी सचिव संस्थान

IN PURSUIT OF PROFESSIONAL EXCELLENCE

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(Under the jurisdiction of Ministry of Corporate Affairs)

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5

NEWS FROM THE INSTITUTE



- MEMBERS RESTORED DURING THE MONTH OF MAY 2024
- CERTIFICATE OF PRACTICE SURRENDERED DURING THE MONTH OF MAY 2024
- LIST OF PEER REVIEWED UNITS
- NEW ADMISSIONS
- UPLOADING OF PHOTOGRAPH AND SIGNATURE
- CHANGE / UPDATION OF ADDRESS



Institute News

MEMBERS RESTORED DURING THE MONTH OF MAY 2024

SL. NO.	NAME	MEMB NO.	REGION
1	CS RAJENDRA KUMAR KHANDELWAL	ACS - 10384	WIRC
2	CS D K VARSHNEY	ACS - 10828	NIRC
3	CS RAKESH KUMAR GUPTA	ACS - 11153	NIRC
4	CS CHAND RATAN CHANDAK	ACS - 11216	EIRC
5	CS HARSHA JAYESH KANSARA	ACS - 11281	NIRC
6	CS N BHASKARAN	ACS - 11464	WIRC
7	CS ANUJ KUMAR AGARWAL	ACS - 11534	NIRC
8	CS SURESH ANANTHALAKSHMI	ACS - 11615	WIRC
9	CS HEMKANT KUAMAR MORE	ACS - 11664	EIRC
10	CS ASHISH ARVINDBHAI SHAH	ACS - 11716	WIRC
11	CS BINOD KUMAR AGRAWAL	ACS - 11826	EIRC
12	CS RAJESH KUMAR AGRAWAL	ACS - 12032	EIRC
13	CS DASU TRIVIKRAM	ACS - 12039	SIRC
14	CS ZUBIN FRAMROZE BILLIMORIA	ACS - 12216	WIRC
15	CS CHANDER VADAN	ACS - 12533	NIRC
16	CS GIRISH ARJAN TEKCHANDANI	ACS - 12602	WIRC
17	CS M SUJANI	ACS - 12645	SIRC
18	CS DHARMESH N PARIKH	ACS - 12859	WIRC
19	CS KUNTAL ROY CHOWDHURY	ACS - 13201	SIRC
20	CS K VIDYA	ACS - 13516	SIRC
21	CS B. KISHORE	ACS - 13523	WIRC
22	CS ASHISH CHANDRA	ACS - 13638	WIRC
23	CS SEEMA KHURANA	ACS - 13668	EIRC
24	CS PUSHKARAJ VISHNU JOSHI	ACS - 14286	WIRC
25	CS NIRMAL NARAYAN SHARMA	ACS - 14625	SIRC

26	CS RAJ KUMAR C.	ACS - 14650	SIRC
27	CS SUNIL GOPALAN NAIR	ACS - 14737	WIRC
28	CS JAGAT JEET SINGH	ACS - 15104	NIRC
29	CS JAIPRAKASH RAWAT	ACS - 15361	NIRC
30	CS JAGDISH PRASAD	ACS - 15662	NIRC
31	CS NISHA VIJ	ACS - 15766	NIRC
32	CS PRAVESH KUMAR SHARMA	ACS - 15830	NIRC
33	CS ADISH ARVINDKUMAR SANGHVI	ACS - 15892	WIRC
34	CS GOVINDA RAJ H	ACS - 16015	SIRC
35	CS LAKSHMI SUBRAMANIAN	ACS - 16071	WIRC
36	CS HEMANT ARORA	ACS - 16412	NIRC
37	CS NIKHIL JAIN	ACS - 16676	WIRC
38	CS URMI PANKAJ ACHARYA	ACS - 16700	WIRC
39	CS KALINDEE MEHTA	ACS - 16995	NIRC
40	CS SARAT CHANDRAN S	ACS - 17324	WIRC
41	CS VISHNU GOPAL AGARWAL	ACS - 17399	EIRC
42	CS PARVEEN BANSAL	ACS - 17701	NIRC
43	CS HUSSAN KUMAR	ACS - 17785	NIRC
44	CS CHITTARANJAN CHAKRA	ACS - 17797	NIRC
45	CS SUDHIR BABU SAXENA	ACS - 17881	NIRC
46	CS RIKHAB P CHAND	ACS - 18178	SIRC
47	CS SHILPI JAIN	ACS - 18336	NIRC
48	CS HUKAM SINGH RAWAT	ACS - 18619	NIRC
49	CS SACHIN AGARWAL	ACS - 18759	SIRC
50	CS PRAMOD KUMAR JAIN	ACS - 18819	SIRC
51	CS SONIA REETESH ARORA	ACS - 18943	WIRC
52	CS SAURABH PRAKASH SOHONI	ACS - 19076	WIRC
53	CS PIYALI CHOUDHURY	ACS - 19192	NIRC
54	CS AKSHAYA RANJAN MISHRA	ACS - 19202	WIRC
55	CS ASHWINI KHANDLIKAR	ACS - 19301	SIRC
56	CS ARTI PARASHAR	ACS - 19700	NIRC
57	CS RUDRA KUMAR PANDEY	ACS - 19745	NIRC
58	CS MUKUL AGRAWAL	ACS - 19867	WIRC
59	CS VIVEK CHATTER	ACS - 19890	NIRC
60	CS KRISHAN KANT GUPTA	ACS - 20037	NIRC
61	CS RASHIM GUPTA	ACS - 20431	NIRC
62	CS RAVINDER KUMAR JAIN	ACS - 2073	NIRC

63	CS SUBRAMONIAM T R VENKITA	ACS - 20758	NIRC
64	CS BEENA KUMARI	ACS - 20894	NIRC
65	CS ABHISHEK GOEL	ACS - 21127	NIRC
66	CS AMIT YADAV	ACS - 21266	NIRC
67	CS SAKET KUMAR SINGH	ACS - 21652	NIRC
68	CS SHAISHAV UDANI	ACS - 21960	WIRC
69	CS MUNMUN SOURENDRA DUTTA	ACS - 21984	WIRC
70	CS VIDHYA PRATIK BOOB	ACS - 22022	WIRC
71	CS HARISH B N	ACS - 22059	SIRC
72	CS THANIKACHALAM T N	ACS - 22077	SIRC
73	CS PRIYANKA JAIN	ACS - 22158	EIRC
74	CS NIKHIL DINESH CHANDR BHATT	ACS - 22219	WIRC
75	CS MADHUSUDAN B P	ACS - 22377	SIRC
76	CS SHWETA KHARE	ACS - 22611	WIRC
77	CS NAVEEN KUMAR	ACS - 22777	NIRC
78	CS MINAKSHI TIBREWAL	ACS - 22786	WIRC
79	CS PRAMOD KUMAR AGRAWAL	ACS - 22885	EIRC
80	CS RAVI SOMANI	ACS - 22929	NIRC
81	CS SHRADHA SHROFF	ACS - 23052	SIRC
82	CS SHIV KUMAR AGARWAL	ACS - 23089	NIRC
83	CS MEENAKSHI N S BALA	ACS - 23318	NIRC
84	CS LATIKA ROHARA	ACS - 23352	NIRC
85	CS PREETI SHETTY	ACS - 23356	WIRC
86	CS PRAKASH BARNWAL	ACS - 23927	NIRC
87	CS SHILPA MURLIDHAR PAWANKAR	ACS - 24330	WIRC
88	CS SONIA	ACS - 24442	NIRC
89	CS PRASENJIT SARKAR	ACS - 24689	NIRC
90	CS KANIKA KAPOOR	ACS - 24905	NIRC
91	CS SREE NAGAMANI ALLURI	ACS - 25304	SIRC
92	CS KANIKA MAHNA	ACS - 25940	NIRC
93	CS PRIYANKA SANCHETI	ACS - 26062	EIRC
94	CS SUDHIR KUMAR RAI	ACS - 26445	NIRC
95	CS ANITA SINGH	ACS - 26475	EIRC
96	CS S SUDHEENDRA	ACS - 26528	SIRC
97	CS YAMINI GUPTA	ACS - 26798	NIRC
98	CS PRIYANKA SHARMA	ACS - 26871	NIRC
99	CS AKSHAY SATYAVIJAY RANJANIKAR	ACS - 27075	WIRC
100	CS ANURAG SRIVASTAVA	ACS - 27426	SIRC
101	CS REVATHY KUMAR	ACS - 27620	SIRC

102	CS SIDDHARTH AGRAWAL	ACS - 27757	NIRC
103	CS ANNIE JACOB	ACS - 28143	NIRC
104	CS RAJESH CHOUDHARY	ACS - 28595	NIRC
105	CS HIMANSHU ARORA	ACS - 28696	NIRC
106	CS KETAN SETHI	ACS - 28880	NIRC
107	CS ANUJ KUMAR GIRI	ACS - 28926	NIRC
108	CS SACHIN GHANASHYAM CHAUDHARI	ACS - 28957	WIRC
109	CS SATABDI SEN GUPTA	ACS - 29178	SIRC
110	CS RITHA BANG	ACS - 29256	NIRC
111	CS RENUKA M C	ACS - 29671	SIRC
112	CS SUCHI AGGARWAL	ACS - 29712	NIRC
113	CS JAGDISH KUMAR PAHUJA	ACS - 2979	NIRC
114	CS PRIYANKA BHUTANI	ACS - 29938	NIRC
115	CS A G SITARAMAN	ACS - 3019	SIRC
116	CS KISHAN GARODIA	ACS - 30409	SIRC
117	CS KALPIT KHANDELWAL	ACS - 30447	NIRC
118	CS RITU ARORA	ACS - 30730	NIRC
119	CS MANISHA CHHILLAR	ACS - 30897	NIRC
120	CS O MANISH KUMAR TULSIAN	ACS - 31042	SIRC
121	CS VANDANA KAUSHIK	ACS - 31054	NIRC
122	CS DEEPALI DILIPKUMAR AGARWAL	ACS - 31066	SIRC
123	CS PRABHA CHELLAPANDIAN THEVAR	ACS - 31631	WIRC
124	CS SREEDHAR KOWTHALAM JOIS	ACS - 31898	SIRC
125	CS SONU SHAW	ACS - 31940	EIRC
126	CS MAHENDRA MUSKARA	ACS - 32184	WIRC
127	CS NARENDRA KUMAR SHARMA	ACS - 32189	NIRC
128	CS ASHISH AGRAWAL	ACS - 32202	WIRC
129	CS SHRISHTY KHAITAN	ACS - 32298	SIRC
130	CS VINAYAK BALASAHEB PATIL	ACS - 32464	WIRC
131	CS JAGJEET KAUR	ACS - 32660	WIRC
132	CS ANKUR GUPTA	ACS - 33205	NIRC
133	CS SANDIP KUMAR KHETAN	ACS - 33971	NIRC
134	CS SHASHI BHUSHAN PRASAD	ACS - 34536	NIRC
135	CS DHARA PRASHANT VASA	ACS - 34562	WIRC
136	CS VIJAY KUMAR	ACS - 34779	NIRC
137	CS SWATI SHARMA	ACS - 34785	EIRC
138	CS SURAJ PRASAD MEHER	ACS - 34969	NIRC

139	CS KAVITA	ACS - 35128	NIRC
140	CS DIMPLE SUPARSHV CHOPRA	ACS - 35248	WIRC
141	CS DEEPANSHU AGRAWAL	ACS - 35351	NIRC
142	CS ANAND CHANDAK	ACS - 35434	EIRC
143	CS RITU DAMANI	ACS - 35435	NIRC
144	CS KHUSHBOO KOTHARI	ACS - 35856	EIRC
145	CS MONICA MEGHRAJ BHAI SURJANI	ACS - 36156	WIRC
146	CS MAHESH KUMAR TUNGA	ACS - 36400	SIRC
147	CS VISHAL RAMESHBHAI DHOLIYA	ACS - 36465	WIRC
148	CS VISHAL RAMESHBHAI DHOLIYA	ACS - 36465	WIRC
149	CS SHABHA PARVEEN	ACS - 36637	NIRC
150	CS UDBHAV PRATAP SINGH	ACS - 36638	NIRC
151	CS S N S K KARUNA KUMAR	ACS - 37168	SIRC
152	CS SHIVANJALI TANDON	ACS - 37352	NIRC
153	CS MINAL GUPTA	ACS - 37593	WIRC
154	CS BHAGYASHRI BHARATKUMAR DAVE	ACS - 37826	WIRC
155	CS RAJARSHI NANDAN DAN	ACS - 38491	EIRC
156	CS RIMLI BISWAS	ACS - 38794	WIRC
157	CS RITIKA ARORA	ACS - 38870	NIRC
158	CS NIMISHA DINESHBHAI HALANI	ACS - 39048	WIRC
159	CS PARMANAND SARAWGI	ACS - 3941	WIRC
160	CS PREM PRAKASH JAIN	ACS - 3950	SIRC
161	CS PREM PRAKASH JAIN	ACS - 3950	SIRC
162	CS PRIYA MAHAJAN	ACS - 39882	NIRC
163	CS PRIYA MAHAJAN	ACS - 39882	NIRC
164	CS NAINA JHANWAR	ACS - 40365	WIRC
165	CS YASH GUPTA	ACS - 40508	WIRC
166	CS RUCHI BANSAL	ACS - 40595	NIRC
167	CS HASEET PANKAJ BATHIYA	ACS - 41323	WIRC
168	CS MANISH KUMAR TIBREWAL	ACS - 41989	WIRC
169	CS HONEY CHORDIA	ACS - 41995	NIRC
170	CS SURYA KANT RUNGTA	ACS - 42008	EIRC
171	CS PARUL BHADORIA	ACS - 42390	WIRC
172	CS SUNIL REVANASHIDDAPPA MANDAKKI	ACS - 42992	SIRC
173	CS SHIKHA	ACS - 43279	NIRC

174	CS MANISH KUMAR DAYMA	ACS - 43476	SIRC
175	CS ORLANDO DA COSTA LUIS	ACS - 4362	WIRC
176	CS ANKIT SHARMA	ACS - 43774	NIRC
177	CS NISHANT BALKRISHNA OVHAL	ACS - 43917	WIRC
178	CS RAJESH AGARWAL	ACS - 43925	EIRC
179	CS MOHIT KR JAISWAL	ACS - 44281	EIRC
180	CS YANAKANDLA LAKSHMI RAMI REDDY	ACS - 44659	SIRC
181	CS AARTI GUPTA	ACS - 45056	NIRC
182	CS AARTI GUPTA	ACS - 45056	NIRC
183	CS ASHWINI VIJAY KUMAR RATHI	ACS - 45286	WIRC
184	CS SHELLY GUPTA	ACS - 45369	SIRC
185	CS SUMIT KUMAR	ACS - 46110	NIRC
186	CS R KUMAR	ACS - 4615	WIRC
187	CS NAINA RAJAT KUMAR KANAGAT	ACS - 46600	WIRC
188	CS MANISHA GAHLAN	ACS - 46711	NIRC
189	CS AMAN SAH	ACS - 46970	NIRC
190	CS NARAYANACHETTI ANANDARAO	ACS - 4787	EIRC
191	CS PREETI ROHIT BHALA	ACS - 47959	WIRC
192	CS S N MUNDRA	ACS - 4797	WIRC
193	CS AKANKSHA RAI	ACS - 47972	NIRC
194	CS SHIVAM PRAKASHBHAI BHATT	ACS - 48125	WIRC
195	CS ATUL ARYA AGRAHARI	ACS - 48446	WIRC
196	CS SHEKHAR KUMAR	ACS - 48662	NIRC
197	CS AMIT GANAPATI INAMADAR	ACS - 48767	SIRC
198	CS GANESH BHAGWAT ZOLEKAR	ACS - 48865	WIRC
199	CS GANESH RAMACHANDRAN	ACS - 49108	SIRC
200	CS SAURAV SHARMA	ACS - 49385	NIRC
201	CS KRITIKA SAGAR	ACS - 49792	NIRC
202	CS GURBANI SADANA	ACS - 49943	NIRC
203	CS SIDDHARTHA SAXENA	ACS - 50398	NIRC
204	CS NEHAL HEMENDRA LAKHANI	ACS - 50695	WIRC
205	CS SUMIT KUMAR BHIMRAJKA	ACS - 50735	EIRC
206	CS ANKIT PATHAK	ACS - 50818	NIRC
207	CS GAURAV KUMAR YADAV	ACS - 50995	NIRC
208	CS PREETI AGRAWAL	ACS - 51721	NIRC
209	CS JHEEL BIREN SHAH	ACS - 51781	WIRC
210	CS SUSHANT JAIN	ACS - 51783	WIRC

211	CS MEHTA ABHISHEK SHAILESH	ACS - 51926	WIRC
212	CS YATI JAIN	ACS - 51956	NIRC
213	CS TANUJA PARASHRAM KSHATRIYA	ACS - 52161	WIRC
214	CS TURAB HAMDEVAFADAR CHIMTHANAWALA	ACS - 52320	WIRC
215	CS SUNIT KUMAR DARJEE	ACS - 52345	NIRC
216	CS PRIYANKA MIGLANI	ACS - 52631	NIRC
217	CS POONAM RAMESH SAXENA	ACS - 52650	NIRC
218	CS VANDANA SINGH	ACS - 52830	NIRC
219	CS PANKHURI SHARMA	ACS - 52995	NIRC
220	CS ANKIT VERMA	ACS - 53463	NIRC
221	CS PRASHANT KUMAR JAIN	ACS - 53914	WIRC
222	CS DHEERAJ SINGH RAWAT	ACS - 53964	NIRC
223	CS JEEGNESHKUMAR KALYANBHAI DEVGANIYA	ACS - 54003	WIRC
224	CS ANKIT BHOJAK	ACS - 54040	EIRC
225	CS BAJRANG AGARWAL	ACS - 54483	EIRC
226	CS CHITVAN VASHISTHA	ACS - 54727	NIRC
227	CS JAYESH KANJI BHUVA	ACS - 54906	WIRC
228	CS JIGISHA BIMALBHAI SOLANKI	ACS - 55270	NIRC
229	CS SEJAL SUBHASHBHAI AGRAWAL	ACS - 56008	WIRC
230	CS ROHAN RAMESH CHINCHKAR	ACS - 56176	WIRC
231	CS NEHA RATAN JAIN	ACS - 56218	WIRC
232	CS SHUBLEENJOT KAUR	ACS - 56262	NIRC
233	CS KETAKI SANJEEV AKSHIKAR	ACS - 56341	WIRC
234	CS CHAIN PRAKASH KABRA	ACS - 56908	WIRC
235	CS NIKITA VIJAY	ACS - 57013	NIRC
236	CS KARTIK PITTIE	ACS - 57352	SIRC
237	CS ABHISHEK JAISWAL	ACS - 57534	WIRC
238	CS RAJIV KUMAR GARODIA	ACS - 58304	NIRC
239	CS SHASHANK SHARMA	ACS - 58441	NIRC
240	CS MANALI KALPESH RATHOD	ACS - 58734	WIRC
241	CS NUPUR SINGHAL	ACS - 58887	NIRC
242	CS RAJIV KUMAR TULSYAN	ACS - 59105	EIRC
243	CS SUNNY JAIN	ACS - 59111	EIRC

244	CS PRAKHAR AGARWAL	ACS - 59460	NIRC
245	CS VARINDER SAINI	ACS - 59643	NIRC
246	CS AKSHAY ALLAGH	ACS - 59830	NIRC
247	CS PANKHURI JAIN	ACS - 59996	NIRC
248	CS MONIKA	ACS - 60014	NIRC
249	CS KIRTI JAIN	ACS - 60490	NIRC
250	CS NEHA KHATRI	ACS - 60566	NIRC
251	CS APURVA MAHENDRA BHANGDIA	ACS - 60740	WIRC
252	CS ARYA JADON	ACS - 61175	NIRC
253	CS HARI KRISHNAN V	ACS - 61267	SIRC
254	CS DEVIKA S	ACS - 61368	SIRC
255	CS HITESH SANTOSH NAGPAL	ACS - 61519	WIRC
256	CS A BHARANI KISHORE	ACS - 62008	SIRC
257	CS DUDANI RUPALI JAYANTILAL	ACS - 62413	WIRC
258	CS KRITI AHUJA	ACS - 62497	NIRC
259	CS TRILOCHNA	ACS - 62835	NIRC
260	CS SHWEKSHA JHUNJHUNWALA	ACS - 62969	EIRC
261	CS GAURAV ARVIND VERMA	ACS - 63018	WIRC
262	CS BASANTA KUMAR ROUT	ACS - 63124	NIRC
263	CS MANSI MISHRA	ACS - 63571	NIRC
264	CS SAPTA RISHI MISHRA	ACS - 63602	NIRC
265	CS VANI A	ACS - 63654	SIRC
266	CS S REKHA	ACS - 64045	SIRC
267	CS SANTHOSH KIRAN KUMAR DUKKA	ACS - 64191	SIRC
268	CS MOHIT NAHATA	ACS - 64216	EIRC
269	CS SANDEEP SINGH	ACS - 64292	EIRC
270	CS POOJA SINGAL	ACS - 64833	NIRC
271	CS BHUMIKABEN RAJESHBHAI PANWALA	ACS - 64912	WIRC
272	CS PITRESH KAUSHIK	ACS - 65051	NIRC
273	CS SAKSHI JAIN	ACS - 65226	EIRC
274	CS SAIROZ KOTADIYA	ACS - 65511	SIRC
275	CS MEGHA AGGARWAL	ACS - 65671	NIRC
276	CS SANKET SUDHAKAR SHINDE	ACS - 65789	WIRC
277	CS SHIVANI GAUTAM	ACS - 65828	NIRC
278	CS DRASHTI ABHIN KUMAR GANDHI	ACS - 66531	WIRC
279	CS PRIYANKAR SHARMA	ACS - 66607	WIRC
280	CS ANUJA LAXMIKANT PARULEKAR	ACS - 67130	WIRC
281	CS DEEPA JAJU	ACS - 67199	NIRC
282	CS JAGKIRAT SINGH	ACS - 67217	NIRC

283	CS PANKAJ YADAV	ACS - 67319	NIRC
284	CS KRISHNENDU SINGH YADAV	ACS - 67702	WIRC
285	CS KAMYA SONTALIA	ACS - 68205	EIRC
286	CS NISHA	ACS - 68419	NIRC
287	CS SAILENDRA SINGH RAWAT	ACS - 68591	NIRC
288	CS VISHAL JAGDISH BODHA	ACS - 69021	WIRC
289	CS SHAILESH SAMBHAJI BARNE	ACS - 69662	WIRC
290	CS THIRUMALESH BHAT S	ACS - 69940	SIRC
291	CS RITU ANIL RAI	ACS - 69954	WIRC
292	CS JYOTSNA BATRA	ACS - 69955	NIRC
293	CS ASHOK KUMAR TANWANI	ACS - 6996	NIRC
294	CS R GOPAL	ACS - 6997	SIRC
295	CS MITESH ARVINDBHAI PRAJAPATI	ACS - 70001	WIRC
296	CS RAVEENA CHANDWANI	ACS - 70683	WIRC
297	CS SHIVANI CHAUDHARY	ACS - 71036	NIRC
298	CS V J MATHEW	ACS - 7207	SIRC
299	CS ALOKE MUKHERJEE	ACS - 8201	EIRC
300	CS R KUMAR	ACS - 8355	WIRC
301	CS ASHOK KUMAR SHARMA	ACS - 8415	SIRC
302	CS SANJEEV VASHISHTA	ACS - 8561	NIRC
303	CS P S DORAISWAMY	ACS - 9003	WIRC
304	CS VINEET KUMAR SIBAL	ACS - 9320	NIRC
305	CS NIKUNJ A SANGHVI	ACS - 9570	WIRC
306	CS N VARATHARAJAN	ACS - 9883	SIRC
307	CS SANJAY GANDHI	ACS - 9918	NIRC
308	CS CHANDRASEKHARA PRASAD CHODAVARAPU	ACS - 9931	SIRC
309	CS SATISH KUMAR TULI	FCS - 1222	NIRC
310	CS RAJENDRA PRASAD RUSTAGI	FCS - 2061	NIRC
311	CS MAHESH KUMAR NATANI	FCS - 2512	WIRC
312	CS SHYAM SUNDER SOMANI	FCS - 2531	NIRC
313	CS NITA MEHTA	FCS - 2594	WIRC
314	CS SHARAD VAID	FCS - 2663	NIRC
315	CS HARPREET SINGH PURI	FCS - 3028	NIRC
316	CS M M NALAVADE	FCS - 3136	WIRC
317	CS PRADEEP KUMAR CHAMARIA	FCS - 3294	SIRC

318	CS GIRISH N SANGHAVI	FCS - 3469	WIRC
319	CS BHARAT MANILAL THAKKAR	FCS - 4310	WIRC
320	CS GAURAV KOHLI	FCS - 5006	NIRC
321	CS GAGAN MITTAL	FCS - 5016	NIRC
322	CS AMIT KOHLI	FCS - 5054	NIRC
323	CS HARI KRISHAN TIWARI	FCS - 5242	NIRC
324	CS RAJESH GUPTA	FCS - 5319	NIRC
325	CS ASHOK J VAGERIYA	FCS - 5704	WIRC
326	CS KIRAN SANKAR BHATTACHARYYA	FCS - 6060	EIRC
327	CS BALKRISHNA R PARAB	FCS - 6463	WIRC
328	CS SHREERAM PRASAD GUPTA	FCS - 6467	WIRC
329	CS LEENA RAWAL	FCS - 6530	NIRC
330	CS JYOTI RAVI SACHDEVA	FCS - 6794	NIRC
331	CS S RAMADEVI	FCS - 7329	SIRC
332	CS ARANI GUHA	FCS - 8246	EIRC
333	CS ANKESH KUMAR	FCS - 8631	NIRC
334	CS N R SRINIVASAN	FCS - 9452	SIRC

CERTIFICATE OF PRACTICE SURRENDERED DURING THE MONTH OF MAY 2024

SL. NO.	NAME	MEMB NO	COP NO.	REGION
1	CS JIGNA NAYAN MOMAYA	ACS - 39256	23380	SIRC
2	CS KHUSHBOO GOYAL	ACS - 47000	23513	EIRC
3	CS MEGHNA PIPLANI	FCS - 11263	16652	NIRC
4	CS PAWAN PURUSHOTTAM CHANDAK	ACS - 35874	20286	WIRC
5	CS SANKET PARWAL	ACS - 45322	26332	WIRC
6	CS AKARSHIT KAPOOR	ACS - 47851	18050	NIRC
7	CS SRINIVASAN	FCS - 3711	2844	SIRC
8	CS ANISHA KUMARI	ACS - 67823	26686	NIRC
9	CS DHANASHREE PRATIK NEVE	ACS - 55109	20446	WIRC
10	CS VENUGOPALAN VENKITAN	ACS - 13511	16910	SIRC
11	CS VISHAKA JALAN	FCS - 11984	20674	NIRC
12	CS ANURADHA UPADHYAY	FCS - 9739	15933	NIRC
13	CS HINA ARORA	ACS - 31242	13186	NIRC
14	CS SWATI	ACS - 34233	24423	NIRC
15	CS VAISHALI SINGH	FCS - 12102	15866	WIRC
16	CS NUTAN AGRAWAL	ACS - 58113	22064	NIRC

17	CS VENKATESH DAYANANDA	FCS - 9904	21993	SIRC
18	CS MANISHA CHAUHAN	ACS - 63093	26251	NIRC
19	CS VIDHI DIVYANG VORA	ACS - 50959	25943	EIRC
20	CS VIPUL RAVINDRA GUJAR	ACS - 49333	21425	WIRC
21	CS KULKARNI RAVINDRA SANJEEV	ACS - 34716	18096	SIRC
22	CS RAJU UPADHYAY	ACS - 61848	24879	NIRC
23	CS RICHA SOOD	ACS - 40970	26955	NIRC
24	CS RAJAN KUMAR	ACS - 68091	25587	SIRC
25	CS BIJAL KUNAAL MEHTA	ACS - 36053	19937	WIRC
26	CS JOHN VADASSERY	FCS - 7359	7921	SIRC
27	CS ABHAY VIJAY KADAM	ACS - 33688	21292	WIRC
28	CS SHANKY HANDA	ACS - 56254	26403	NIRC
29	CS ABHISHEK GUPTA	ACS - 64881	26019	WIRC
30	CS ALISHA CHAWLA	ACS - 32936	24624	NIRC
31	CS GARISHA	FCS - 12175	16383	NIRC
32	CS HARSHNA SHARMA	ACS - 60919	22957	NIRC
33	CS PRIYANKA KUD	ACS - 57670	26083	NIRC
34	CS DEEPA PATIL	ACS - 60160	25024	SIRC

35	CS LALIT	ACS - 62265	26438	NIRC
36	CS ANIL KUMAR MALLIKARJUNA	FCS - 8046	10593	SIRC
37	CS MANSI AWANA	ACS - 36655	20695	NIRC
38	CS DIGAMBAR GOLI	ACS - 70671	26430	WIRC
39	CS APURVA GAUR	ACS - 65257	26507	EIRC
40	CS PREETI SHARMA	ACS - 40988	20771	NIRC
41	CS KEYUR MEHTA	ACS - 62128	23127	EIRC
42	CS SHRUTI AGRAWAL	ACS - 65696	24956	WIRC
43	CS YASH HEGDE	ACS - 69340	26124	WIRC
44	CS SARADA PATRO	ACS - 49636	26922	WIRC
45	CS MAYUR PURUSHOTTAM SHARMA	ACS - 55598	20954	WIRC
46	CS PRABHAKAR SARASWATULA	FCS - 3068	21765	NIRC
47	CS VIKRAM MANOHAR GARVE	ACS - 50421	20061	WIRC
48	CS JASPREET SINGH	ACS - 46770	24797	NIRC
49	CS N PURNA CHANDRA RAO	ACS - 12585	26931	SIRC
50	CS NIDHI DIXIT	ACS - 32915	21928	NIRC
51	CS ALOK KUMAR PANDEY	ACS - 69547	26810	NIRC
52	CS VISHAKHA MAHESH PHADKE	ACS - 37675	16826	WIRC
53	CS GUDDI	ACS - 61873	27012	EIRC
54	CS SWAPNA TILUJA	ACS - 56245	26874	EIRC

LIST OF PEER REVIEWED UNITS

The List of Peer Reviewed Units is updated on ICSI Website from time to time and can be accessed at <https://tinyurl.com/PRList2023>

We request members to visit the list for their reference and records.

Peer Review Secretariat

ICSI

NEW ADMISSIONS

For latest admission of Associate and Fellow Members, Life Members of Company Secretaries Benevolent Fund (CSBF), Licentiatees and issuance of Certificate of Practice, kindly refer to the link <https://www.icsi.edu/member>



UPLOADING OF PHOTOGRAPH AND SIGNATURE

Members are requested to ensure that their latest scanned passport size front-facing colour photograph (in formal wear) and signature in .jpg format (each on light-colored background of not more than 200 kb file size) are uploaded on the online portal of the Institute.

Online Steps for Uploading of photo and signature.

- Use ONLINE SERVICES tab on www.icsi.edu
- Select Member Portal from dropdown
- Login using your membership number e.g. A1234/F1234
- Enter your password
- Under My Profile --- Click on View and Update
- Upload/update the photo and signature as required
- Press Save button

CHANGE / UPDATION OF ADDRESS

The members are requested to check and update (if required) your professional and residential addresses ONLINE only through Member Login. Please indicate your correspondence address too.

The steps to see your details in the records of the Institute:

1. Go to www.icsi.edu
2. Click on **MEMBER** in the menu
3. Click on **Member Search** on the member home page
4. Enter your membership number and check
5. The address displayed is your Professional address (Residential if Professional is missing)

The steps for online change of address are as under:

1. Go to www.icsi.edu
2. On the Online Services ----select **Member Portal** from dropdown menu
3. Login using your membership number e.g. A1234/F1234
4. Under **My Profile** --- Click on View and update option and check all the details and make the changes required and save
5. To change the mobile number and email id click the side option "**Click Here to update Mobile Number and E-mail Id**"
6. Check the residential address and link the Country-State-District-City and check your address in the fields Add. Line1/Add. Line2 & Add. Line3 (Click Here to change residential address)
 - a) Select the Country[#]
 - b) Select the State
 - c) Select the City
 - d) Submit the Pincode which should be 6 digits without space.
 - e) Then click on "Save" button.
7. Select the appropriate radio button for Employment Status and check your address in the fields Add. Line1/ Add. Line2 & Add. Line3 click the link on the right (Click Here to change Professional address)
 - a) Select the Country[#]
 - b) Select the State
 - c) Select the City
 - d) Submit the Pincode which should be 6 digits without space.
 - e) Then click on "Save" button.
8. Go back to the Dashboard and check if the new address is being displayed.

[#]in case of Foreign Country and State is not available in options then Select "**Overseas**" – A pop-up will open and you can add the "City, District, State" of that Country alongwith Zipcode

Members are required to verify and update their address and contact details as required under Regulation 3 of the CS Regulations, 1982 amended till date

For any further assistance, we are available to help you at <http://support.icsi.edu>



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)

Documents downloadable from the DigiLocker Platform

The National Digital Locker System, launched by Govt. of India, is a secure cloud based platform for storage, sharing and verification of documents and certificates. In the wake of digitization and in an attempt to issue documents to all the members in a standard format and make them electronically available on real-time basis, the Institute of Company Secretaries of India had connected itself with the DigiLocker platform of the Government of India. The initiative was launched on 5th October, 2019 in the presence of the Hon'ble President of India.

In addition to their identity cards and Associate certificates, members can also now access and download their Fellow certificates and Certificates of Practice from the DigiLocker anytime, anywhere.



How to Access:

- Go to <https://digilocker.gov.in> and click on Sign Up
- You may download the Digilocker mobile app from mobile store (Android/iOS)

How to Login:

- Signing up for DigiLocker with your mobile number.
- Your mobile number is authenticated by an OTP (one-time password).
- Select a username & password. This will create your DigiLocker account.
- After your DigiLocker account is successfully created, you can voluntarily provide your Aadhaar number (issued by UIDAI) to avail additional services.

How to Access your Documents digitally:

Members can download their digital ID Card / ACS / FCS / COP certificate(s) by following the steps given below:

1. Log in to <https://www.digilocker.gov.in> website
2. Go to Central Government and select Institute of Company Secretaries of India
3. Select the option of ID card / Membership Certificate / Practice Certificate
4. For ID Card, enter your membership number e.g. ACS 12345 / FCS 12345.
5. For membership certificate, Enter your membership and select ACS / FCS from drop down.
6. For COP certificate enter your COP number e.g. 12345 and select COP.
7. Click download / generate.
8. The ID Card / Membership certificate / Practice Certificate can be downloaded every year after making payment of Annual Membership fees.



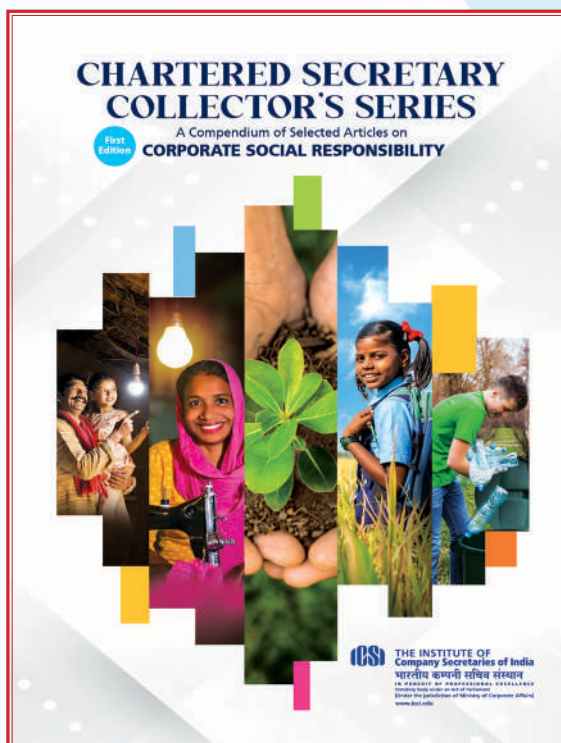
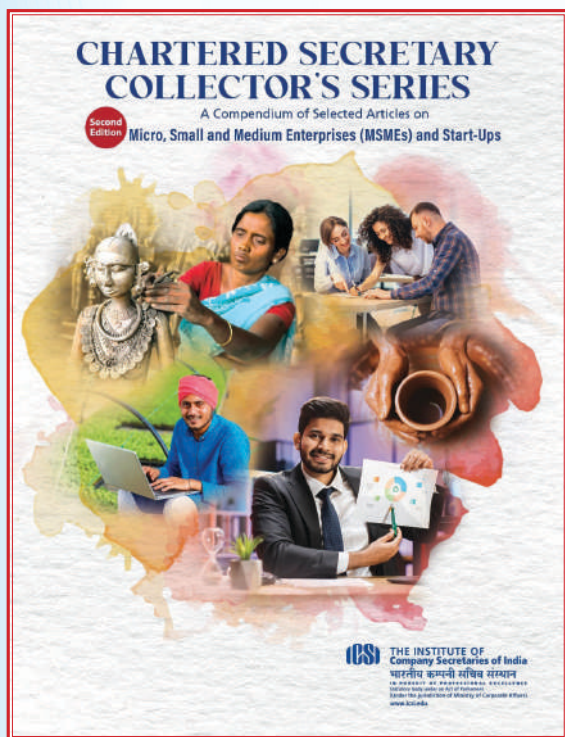
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Company Secretaries of India
भारतीय कम्पनी सचिव संस्थान
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6

MISCELLANEOUS CORNER



- GST CORNER
- ETHICS IN PROFESSION
- CG CORNER
- ESG CORNER
- GIST OF ROC ADJUDICATION ORDERS



FILING OF INFORMATION BY MANUFACTURERS OF PAN MASALA AND TOBACCO TAXPAYERS - DATED JUN 7TH, 2024

Please refer to the notification Notification No. 04/2024 – Central Tax dated 05-01-2024 to seek information from taxpayers dealing in the goods mentioned therein. Two forms have been notified vide this notification namely GST SRM-I and GST SRM-II. The former pertains to the registration and disposal of machines while the latter asks for information on inputs and outputs during a month. Form GST SRM-I meant for registration of machines has already been made available on the portal w.e.f. 15-05-2024. Concerned taxpayers are using the same for the registration of machines and other information asked therein.

Now, the second form namely, Form GST SRM-II is also available on the portal. Taxpayers dealing in the manufacture of Pan Masala and Tobacco products can now report the details of inputs and outputs procured and consumed for the relevant month.

Source: <https://www.gst.gov.in/newsandupdates/read/500>

CIRCULARS

CIRCULAR NO. 207/1/2024-GST DATED THE 26TH JUNE 2024

Reduction of Government Litigation – fixing monetary limits for filing appeals or applications by the Department before GSTAT, High Courts and Supreme Court.

Source: <https://taxinformation.cbic.gov.in/view-pdf/1003214/ENG/Circulars>

CIRCULAR NO. 208/2/2024-GST DATED THE 26TH JUNE 2024

Clarifications on various issues pertaining to special procedure for the manufacturers of the specified commodities as per Notification No. 04/2024 -Central Tax dated 05.01.2024.

Source: <https://taxinformation.cbic.gov.in/view-pdf/1003213/ENG/Circulars>

CIRCULAR NO. 209/3/2024-GST DATED THE 26TH JUNE 2024

Clarification on the provisions of clause (ca) of Section 10(1) of the Integrated Goods and Service Tax Act, 2017 relating to place of supply of goods to unregistered persons.

Source: <https://taxinformation.cbic.gov.in/view-pdf/1003212/ENG/Circulars>

CIRCULAR NO. 210/4/2024-GST DATED THE 26TH JUNE 2024

Clarification on valuation of supply of import of services by a related person where recipient is eligible to full input tax credit.

Source: <https://taxinformation.cbic.gov.in/view-pdf/1003211/ENG/Circulars>

CIRCULAR NO. 211/5/2024-GST DATED THE 26TH JUNE 2024

Clarification on time limit under Section 16(4) of CGST Act, 2017 in respect of RCM supplies received from unregistered persons.

Source: <https://taxinformation.cbic.gov.in/view-pdf/1003210/ENG/Circulars>

CIRCULAR NO. 212/6/2024-GST DATED THE 26TH JUNE 2024

Clarification on mechanism for providing evidence of compliance of conditions of Section 15(3)(b)(ii) of the CGST Act, 2017 by the suppliers.

Source: <https://taxinformation.cbic.gov.in/view-pdf/1003209/ENG/Circulars>

CIRCULAR NO. 213/7/2024-GST DATED THE 26TH JUNE 2024

Seeking clarity on taxability of re-imbursement of securities/shares as SOP/ESPP/RSU provided by a company to its employees through its overseas holding company.

Source: <https://taxinformation.cbic.gov.in/view-pdf/1003208/ENG/Circulars>

CIRCULAR NO. 214/8/2024-GST DATED THE 26TH JUNE 2024

Clarification on the requirement of reversal of input tax credit in respect of the portion of the premium for life insurance policies which is not included in taxable value.

Source: <https://taxinformation.cbic.gov.in/view-pdf/1003207/ENG/Circulars>

CIRCULAR NO. 215/9/2024-GST DATED THE 26TH JUNE 2024

Clarification on taxability of salvage/ wreck value earmarked in the claim assessment of the damage caused to the motor vehicle.

Source: <https://taxinformation.cbic.gov.in/view-pdf/1003206/ENG/Circulars>

CIRCULAR NO. 216/10/2024-GST DATED THE 26TH JUNE 2024

Clarification in respect of GST liability and input tax credit (ITC) availability in cases involving Warranty/ Extended Warranty, in furtherance to Circular No. 195/07/2023-GST dated 17.07.2023.

Source: <https://taxinformation.cbic.gov.in/view-pdf/1003205/ENG/Circulars>

CIRCULAR NO. 217/11/2024-GST DATED THE 26TH JUNE 2024

Entitlement of ITC by the insurance companies on the expenses incurred for repair of motor vehicles in case of reimbursement mode of insurance claim settlement.

Source: <https://taxinformation.cbic.gov.in/view-pdf/1003204/ENG/Circulars>

CIRCULAR NO. 218/12/2024-GST DATED THE 26TH JUNE 2024

Clarification regarding taxability of the transaction of providing loan by an overseas affiliate to its Indian affiliate or by a person to a related person.

Source: <https://taxinformation.cbic.gov.in/view-pdf/1003203/ENG/Circulars>

CIRCULAR NO. 219/13/2024-GST DATED THE 26TH JUNE 2024

Clarification on availability of input tax credit on ducts and manholes used in network of optical fiber cables (OFCs) in

terms of section 17(5) of the CGST Act, 2017.

Source: <https://taxinformation.cbic.gov.in/view-pdf/1003202/ENG/Circulars>

CIRCULAR NO. 220/14/2024-GST DATED THE 26TH JUNE 2024

Clarification on place of supply applicable for custodial services provided by banks to Foreign Portfolio Investors.

Source: <https://taxinformation.cbic.gov.in/view-pdf/1003201/ENG/Circulars>

CIRCULAR NO. 221/15/2024-GST DATED THE 26TH JUNE 2024

Clarification on time of supply in respect of supply of services of construction of road and maintenance thereof of National Highway Projects of National Highways Authority of India (NHAI) in Hybrid Annuity Mode (HAM) model.

Source: <https://taxinformation.cbic.gov.in/view-pdf/1003200/ENG/Circulars>

CIRCULAR NO. 222/16/2024-GST DATED THE 26TH JUNE 2024

Time of supply in respect of supply of allotment of Spectrum to Telecom companies in cases where an option is given to the Telecom Companies for payment of licence fee and Spectrum usage charges in instalments in addition to an option of upfront payment.

Source: <https://taxinformation.cbic.gov.in/view-pdf/1003199/ENG/Circulars>

**THE ANDHRA PETROCHEMICALS LIMITED**

Requires

For their Registered Office, Venkatarayapuram, Tanuku

ASST. COMPANY SECRETARY

Person should be a fresh candidate having Membership of Institute of Company Secretaries of India. Person having post qualification experience upto 3 years can also apply. Additional qualification of Chartered Accountancy will be an added advantage.

Salary will be attractive and commensurate with experience and qualifications. Benefits include H.R.A./ Rent free unfurnished accommodation, Provident Fund, Leave Travel Concession, Group Insurance, Gratuity and liberal Leave facilities etc.

Candidates possessing the above requirements may apply to the undersigned within 10 days along with a recent Passport size Photograph giving complete Bio-Data including Salary drawn and Salary expected, Contact Telephone Number and e-mail:

Managing Director,

The Andhra Petrochemicals Ltd.,

Venkatarayapuram, TANUKU - 534 215, West Godavari District, (A.P.).

Email: info.tnk@theandhrapetrochemicals.com, Website: www.theandhrapetrochemicals.com

CIN: L23209AP1984PLC004635

Professional Misconduct - Signing on behalf of a Company Secretary in Practice



The two Schedules to the Company Secretaries Act, 1980 viz. First Schedule and Second Schedule provides acts or omissions of professional and other misconduct by the members of the Institute.

Part I of the First Schedule to the Company Secretaries Act, 1980 containing 11 clauses as well as Part I of the Second Schedule to the Company Secretaries Act, 1980 containing 10 clauses deals with the acts or omissions of professional misconduct, which are applicable specifically to a Company Secretary in Practice.

The expression “*professional and other misconduct*” as defined in Section 22 of the Company Secretaries Act, 1980 shall be deemed to include any act or omission provided in any of the Schedules, but nothing in this section shall be construed to limit or abridge in any way the power conferred or duty cast on the Director (Discipline) under sub-section (1) of Section 21 to inquire into the conduct of any member of the Institute under any other circumstances.

As per Clause (11) of Part I of the Second Schedule to the Company Secretaries Act, 1980, a member of the Institute in practice shall be deemed to be guilty of Professional Misconduct, if he allows a person not being a member of the Institute in practice, or a member not being his partner to sign on his behalf or on behalf of his firm, anything which he is required to certify as a Company Secretary, or any other statements relating thereto.”

This clause prohibits a Company Secretary in Practice from allowing a person who is not a Company Secretary in Practice or a member who is not his partner, to sign anything on his behalf or on behalf of his firm, which he is required to certify as a Company Secretary or any other statements relating to it.

Due care has to be taken by the Company Secretaries in Practice that their digital signatures are used only by them or by the person allowed to do as per clause (11) of Part I of Second Schedule to the Company Secretaries Act, 1980. It is the duty and obligation of a Company Secretary in Practice to prevent any unauthorized use of his or her Digital Signatures/DSC.

CASE STUDY

1. Information of professional or other misconduct was received against one Practicing Company Secretary (Respondent) *inter-alia* alleging of lending digital signature in the market which is being used by fraudsters for incorporating companies. The digital signature of the Respondent was available in the market to be used by the brokers for incorporation of various types of companies and for filing of e-documents with the MCA portal against commission, which was being paid to the Respondent, who being a non-practicing Company Secretary has lent own digital signature to the brokers in the market. Accordingly, the Respondent was earning commission by releasing digital signature in the market, which was also being used for shell companies.

2. The Respondent has contended that the DSC was made through one of the known persons; and at the time of applying for DSC, the specially required email id was of that person irrespective of the email id of the Respondent. This may be done with a fraudulent intention of affixing digital signature. It came to the knowledge of the Respondent when summon was received from Government. The Respondent has stated that at the time of receiving the DSC its seal was broken; and the Respondent thought that it has been done for registering the DSC in the MCA site; the Respondent was unaware that time of the fact that DSC can be copied and used later; and it was not OTP protected.
3. The Respondent did not give any explanation on the use of DSC for the company for which this Information has been filed. From the records of MCA21, it was found that few forms of the various companies also contain the digital signatures of the Respondent. It is observed that there are repeated instances of use of digital signatures of the Respondent on various forms of various companies. The Respondent has stated of having filed FIR/complaint with police/cyber cell after the Respondent got summons from Government. At the time of getting DSC, it was broken as per the Respondent. But the Respondent did not take any corrective measures after getting broken DSC. The ownership of the digital signatures is always with the person who procures it. However, the Respondent did not initiate any corrective measures till the Respondent got summons from the regulators.
4. The Respondent contended that the DSC was misused and any permission or access to anyone for usage of DSC was never given; and proper action was also taken by the Respondent at appropriate time as and when it came into knowledge. The Respondent denied and disputes giving permission to the alleged company to use the DSC. The Respondent denied and disputes the alleged lending of DSC. The Respondent denied of not taking any corrective measures. Information was shared to the person from whom it was obtained immediately on receipt of broken seal on DSC. No one can presume that it will be misused. The Respondent has stated that it is undisputed responsibility of the DSC owner to ensure the safe custody of the DSC. However, in circumstances it is being handed over to others for usage; situation needs to be seen. The Respondent denied and disputed the irregularities in the forms and laxity on part of the Respondent. The Respondent has stated that no plausible evidence is forth coming from the Informant and the Informant has not registered any formal complaint against the Respondent even after being given opportunity to do so; infact and effect the faults by not controverting the contentions as proved by the facts and figures.
5. It is observed that the Informant has alleged lending of DSC by the Respondent. While the Respondent has mentioned few instances of misuse of DSC in the year 2013 for which FIR was filed. The Respondent has also filed a complaint with Cyber Cell, regarding misuse of DSC by another company. The Respondent acquired DSC in January, 2013. The Respondent has referred about received broken seal of DSC, which was made through a known person.
6. On being asked by the Disciplinary Committee, the Respondent could not give satisfactory answer as to why the Respondent has not taken any corrective action regarding DSC and informed about misuse of DSC of the Respondent to the Police in the year 2018, while the DSC was taken by the Respondent in the year 2013 with validity of 2 years. The Respondent confirmed that the Respondent did not take/apply for any DSC thereafter. The Disciplinary Committee observed that the Respondent approached the Police only after the Respondent was summoned and questioned by the regulators in the year 2017/ 2018. The Disciplinary Committee is of considered view that only the Respondent was responsible for the use of own DSC.
7. The Disciplinary Committee after considering the material on record and all the facts and circumstances of the case, held the Respondent 'Guilty' of Professional Misconduct under Clause (11) of Part I of the First Schedule and Clause (7) of Part I of the Second Schedule to the Company Secretaries Act, 1980. The Disciplinary Committee passed an order of Reprimand and imposed a Fine of Rs. 25000 (Rupees Twenty-five thousand) against the Respondent.



YOUR OPINION MATTERS

'Chartered Secretary' has been constantly striving to achieve Excellence in terms of Coverage, Contents, Articles, Legal Cases, Govt. Notification etc. for the purpose of knowledge sharing and constant updation of its readers. However, there is always a scope for new additions, improvement, etc.

The Institute seeks cooperation of all its readers in accomplishing this task for the benefit of all its stakeholders. We solicit your views, opinions and comments which may help us in further improving the varied segments of this journal. Suggestions on areas which may need greater emphasis, new sections or areas that may be added are also welcome.

You may send in your suggestions to the Editor, Chartered Secretary, The ICSI at cs.journal@icsi.edu

Extended Producer Responsibility

According to OECD, Extended Producer Responsibility (EPR) schemes are organizational mechanisms for the prevention and management of waste that concern certain types of products and are primarily based on the polluter-pays principle. This principle emphasizes the idea of extended producer responsibility, according to which producers, i.e., the legal persons responsible for placing certain products on the market (namely producers, brand owners and importers), with government oversight, are made responsible for financing and organizing the prevention and management of waste from these products at the end of their life.

In other words, Extended Producer Responsibility (EPR) is a policy tool that extends the producer's financial and/or operational responsibility for a product to include the management of the post-consumer stage, in order to help meet national or EU recycling and recovery targets. EPR policies thus generally shift the waste management cost or physical collection partially or fully from local governments to producers.

It is to be noted that the EPR scheme is not a tax. Contributions from producers are thus directly used by the Producer Responsibility Organisation (PRO). Thus, this contribution didn't require additional budgetary resources from State, and is not "absorbed" into the overall public expenditure.

In order to meet the principles of EPR, producers usually organize themselves collectively to fulfil their obligations within the framework of PROs, whether non-profit or for profit. The mission of these PROs is to meet the challenges of reduction, reuse and recycling in the circular economy, thus playing a key role to the fight against climate change, the preservation of resources and biodiversity, and the reduction of carbon impact of product placed on the market.

With reference to European Union, the Packaging and Packaging Waste Directive (please refer <https://eur-lex.europa.eu/legal-content/EN/TXT/?uri=LEGISUM:l21207> for the mentioned directive) requires Member States to set up systems for the return and/or collection and reuse or recovery (including recycling) of used packaging from the consumer in order to meet the EU recycling targets. Thus, the EU imposes the legal obligation of meeting the recovery and recycling targets on Member States. However, national governments may, and often do, delegate this legal obligation to producers/importers through the setting of EPR schemes.

In India, Extended Producers Responsibility (EPR) regime is under implementation in Plastic Waste Management Rules, 2016, according to which it is the responsibility of Producers, Importers and Brand-owners to ensure processing of their plastic packaging waste through

recycling, re-use or end of life disposal (such as co-processing/Waste-to-energy/Plastic-to-oil/roadmaking/industrial-composting). It is to be noted that India generates 3.5 million tonnes of plastic waste annually.

In order to streamline implementation process of EPR, the Ministry of Environment, Forest and Climate Change, Government of India, in its fourth Amendment to the Plastic Waste Management Rules, dated February 16, 2022, notified 'Guidelines on Extended Producer Responsibility for Plastic Packaging' in the Schedule II of the Rules. As per these guidelines, Producers, Importers and Brand Owners (PIBOs) shall have to register through the online centralized portal developed by the Central Pollution Control Board (CPCB). To ensure compliance, the Central Pollution Control Board (CPCB) has begun issuing show-cause notices to all unregistered PIBOs. This step aims to encourage their registration and adherence to the PWM Rules, fostering responsible waste management practices.

At this juncture, it would be of immense academic and research interests to explore Extended Producer Responsibility Target for manufacturer and importer of plastic raw material as provided under Plastic Waste Management (Amendment) Rules, 2024.

- (i) The extended producer responsibility of producers, which are micro and small enterprises as defined under the Micro, Small and Medium Enterprises Development Act, 2006, hereinafter referred to as micro and small producers, shall be fulfilled by manufacturer or importer of plastic raw material who has supplied the plastic raw material to such micro and small producers, provided that the target for use of recycled plastic content shall be fulfilled by such producers.
- (ii) The Extended Producer Responsibility target category-wise for manufacturer or importer of plastic raw material shall be the quantity of plastic raw material sold to micro and small producers where the sale invoice is authenticated by the manufacturer or importer of plastic raw material, on the centralized online portal, excluding the sale made by such micro and small producers to Brand Owners and Producers, which are not categorized as micro and small enterprises as defined under the Micro, Small and Medium Enterprises Development Act, 2006.
- (iii) The producer, which is a micro or small enterprise, shall declare category of plastic packaging manufactured by it on the centralized online portal.
- (iv) While fulfilling the Extended Producer Responsibility target the manufacturer or importer of plastic raw material shall ensure minimum level of recycling (excluding end of life disposal) of plastic packaging

waste collected under the Extended Producer Responsibility Target, category-wise, as given in the Table below-

Minimum level of recycling (excluding end of life disposal) of plastic packaging waste (% of Extended Producer Responsibility Target)

Plastic packaging category	2024-25	2025-26	2026-27	2027-28 and onwards
(1)	(2)	(3)	(4)	(5)
Category I	50	60	70	80
Category II	30	40	50	60
Category III	30	40	50	60

To put in a nutshell, the EPR guidelines under various Rules / Regulations broadly emphasise the following dimensions:

- Plastic Waste Management Rules (PMWR):** In view of the hazardous nature of non-biodegradable plastic, the producers should proactively manage and foster recycling per EPR requirements. Key elements in plastic EPR include-
 - Producers manage plastic waste through collection systems or partnerships with waste organisations.
 - Producers financially assist organisations for infrastructure, awareness, and streamlined plastic recycling.
- E-Waste Management Rules (EWMR):** E-Waste rules lays thrust on proper electronic trash handling in India. In this regard, the primary obligations of the producers of electronic items are:
 - Producers establish or support e-waste collection centres for approved recyclers.
 - Producers submit an EPR strategy outlining e-waste management, encompassing collection, transportation, recycling and awareness.
 - Producers obtain SPCB (State Pollution Control Board) authorizations, follow rules, and ensure environmentally friendly e-waste recycling.
- Battery Waste Management Rules:** EPR guidelines for batteries prioritize safe disposal and recycling of the batteries. In this regard, the battery producers' obligations are as under:
 - Battery producers manage safe disposal / recycling, facilitating customer returns.
 - Submit EPR plan detailing battery management while meeting recycling goals.
 - Regulations mandate collection centres / partnership for disposal.
 - Conduct consumer education campaign on proper batter disposal / recycling.

Further, Battery Waste Management (Second Amendment) Rules 2024 as notified on June 20, 2024 prescribes the minimum use of the recycled materials out of total dry weight of battery (in percentage) in respect of financial year 2027-28, 2028-29, 2029-30 and year 2030-31 onward for portable, electric vehicle, automotive and industrial batteries respectively.

- Hazardous and Other Wastes (Management and Transboundary Movement) Amendment Rules, 2022:** Tyre waste, notable for its size and durability, requires proper handling and disposal. EPR recommendation under the Rules guides in managing tyre waste responsibly. Following are the basic pre-requisites-
 - Tyre producers manage waste responsibly, reporting yearly adjustments and establishing collection facilities for worn tyres.
 - Manufacturers register, provide reports on tyre waste, including quarterly data on responsibility certificates, new tyre details, and quantities.
 - Regulations encourage eco-friendly tyre recycling through methods like retreading or material recovery.
 - Recyclers report on materials, finished goods, and EPR certificates. Waste tyre importers adjust responsibility based on waste percentage.

To conclude, Extended Producer Responsibility marks a paradigm shift in environmental governance, transferring the onus of product lifecycle management from public entities to manufacturers. This incentivizes the creation of recyclable and durable products, thereby providing a fillip to the circular economy which gives importance to sustainable practices.

However, the efficacy of EPR depends on the seamless execution of policies, the establishment of a solid waste management infrastructure, and the collaborative endeavours of all stakeholders involved. Addressing bottlenecks such as public awareness and recycling capabilities is vital for maximizing EPR's environmental impact. Thus, it may be opined that EPR is integral towards world's journey towards ecological sustainability, requiring concerted efforts from manufacturers, consumers and the government to surmount barriers and ensure its successful implementation.

References:

- https://resolutions.unep.org/resolutions/uploads/integrate_epr_within_the_international_treaty_on_plastics_pollution_1.pdf
- <https://www.europen-packaging.eu/policy-area/extended-producer-responsibility/>
- <https://eprplastic.cpcb.gov.in/#/plastic/home>
- https://eprplastic.cpcb.gov.in/plastic/downloads/Plastic_Waste_Management_Amendment_Rules_2024.pdf
- <https://www.lawrbit.com/article/taking-ownership-extended-producer-responsibility-for-a-greener-future/>



IFC AND IFRS FOUNDATION ANNOUNCE PARTNERSHIP TO IMPROVE SUSTAINABILITY REPORTING IN EMERGING MARKETS

The International Finance Corporation (IFC), a member of the World Bank Group, and the IFRS Foundation have signed a Memorandum of Understanding agreeing their strategic partnership to strengthen sustainable capital markets by improving sustainability and climate reporting in emerging markets and developing economies (EMDEs). The collaboration was announced during London's Climate Action Week.

The IFRS Foundation's International Sustainability Standards Board (ISSB) issued two inaugural Standards in June 2023 with the objective of delivering global consistency and comparability of sustainability-related financial disclosures for capital markets. Jurisdictions making up around 55% of global gross domestic product (GDP) are already taking steps towards using these Standards.

The partnership will focus on implementing programmes to promote and build capacity for the consistent application of the IFRS Sustainability Disclosure Standards across EMDEs. This includes developing toolkits and research publications as well as conducting training programmes to encourage sustainability reporting. Further, the partnership outlines plans to provide technical assistance and tailored support to help jurisdictions adopt and implement these Standards effectively, building on IFC's successful initiatives already in Bangladesh and Jordan.

Source: <https://www.ifrs.org/news-and-events/news/2024/06/ifc-ifrs-foundation-announce-partnership-sustainability-reporting-emerging-markets/>

CANADA RELEASES NEW CORPORATE GREENWASHING REGULATION INTO LAW

Canada's federal government has amended the Competition Act to tackle "greenwashing," targeting unverified or exaggerated environmental claims by businesses. The changes, effective June 20, pose new challenges and risks for companies, requiring immediate action to ensure compliance.

New Greenwashing Provisions:

- **Product Benefit Claims:** Any environmental claims about a product must be backed by "adequate and proper" testing, with the burden of proof on the claimant. This includes statements about resource use and emissions savings. *Example:* Claims about a product's reduced emissions must be tested under controlled circumstances, reflecting real-world usage to eliminate external variables and subjectivity.
- **Business Activity Claims:** Statements about a business's environmental impact must be substantiated according to internationally recognized methodologies, a term not

yet defined by regulatory bodies. *Example:* A company's goals regarding carbon neutrality or emission reductions must be substantiated with recognized best practices.

These provisions demand businesses to conduct rigorous testing and use established methodologies for environmental claims, shifting the proof burden to the companies. Given the significant volume of greenwashing complaints, penalties for greenwashing under the new amendments are also severe.

Source: <https://esgnews.com/canada-releases-new-corporate-greenwashing-regulation-into-law/>

ISO TO LAUNCH FIRST INTERNATIONAL STANDARD ON NET ZERO AT COP30 IN 2025

ISO, the International Organization for Standardization, is developing its first international standard on net zero to provide clarity and robust requirements for the global net zero transition. Expected to launch at COP30 in November 2025, this standard will enable independently verified climate action, accelerating progress toward sustainability.

Thousands of experts from over 170 countries will collaborate through national standards bodies, incorporating the latest climate science. A public consultation will open later in 2025 to ensure comprehensive global input.

This new standard evolves from the ISO Net Zero Guidelines introduced at COP27, which aimed to help organizations create credible net zero strategies. The forthcoming standard will offer robust guidance and requirements, enhancing public confidence and guarding against greenwashing by verifying the credibility of net zero claims.

Source: <https://www.iso.org/contents/news/2024/06/netzero-standard-underway.html>

HONG KONG INTRODUCED GREEN AND SUSTAINABLE FINTECH PROOF-OF-CONCEPT (POC) FUNDING SUPPORT SCHEME

The newly launched Green and Sustainable FinTech PoC Funding Support Scheme provides early-stage funding for high potential Green FinTech solutions. The Scheme aims to promote the research and development (R&D) and commercial adoption of innovative Green FinTech solutions across five key areas, including:

1. Green & Digital Finance and Investment;
2. ESG (Environmental, Social and Governance) Disclosure, Compliance & Regulatory Reporting;
3. Carbon Trading, Analytics and Technology;
4. ESG Data, Intelligence and Analytics; and
5. ESG/Climate Risk Modelling & Assessment.

Each approved project is entitled to funding up to HK\$150,000. The application deadline is 20th September 2024.

The applicant must be a technology company or research institute registered and having commenced business in Hong Kong and conducts substantive Green and Sustainable FinTech or mainstream technology innovation activities. To further implement green and low-carbon practices, the Scheme will plant 10 trees for each approved project applicant, with 600 trees expected to be planted throughout the initiative.

Source: [https://www.cyberport.hk/files/667f071844c01523514167/\[Press%20Release\]%20Green%20and%20Sustainable%20FinTech%20Proof-of-Concept%20Funding.pdf](https://www.cyberport.hk/files/667f071844c01523514167/[Press%20Release]%20Green%20and%20Sustainable%20FinTech%20Proof-of-Concept%20Funding.pdf)

GIST OF ROC ADJUDICATION ORDERS

Adjudication order for violation of section 92 of the Companies Act, 2013 in the matter of EURO COTSPIN LIMITED

ROC Chandigarh issued an adjudication order dated 4th June 2024 in the matter Euro Cotspin Limited for not filing the annual return for the financial years 2014-15 to 2022-23 within prescribed time limits as specified under section 92 of the Companies Act, 2013. The Adjudicating Authority has imposed monetary penalty of ₹2,00,000 for each financial year ending on 31.03.2014, 31.03.2015, 31.03.2016 & 31.03.2017, 31.03.2018; and for the remaining years, the amount of penalty was as follows:

- For financial year ending 31.03.2019 : ₹1,74,900,
- For financial year ending 31.03.2020 : ₹1,29,300,
- For financial year ending 31.03.2021 : ₹95,600,
- For financial year ending 31.03.2022 : ₹65,300 and
- For financial year ending 31.03.2023 : ₹28,800

The Authority also imposed monetary penalty of ₹50,000 on each of three directors of company (officers in default) for each financial year from 2014-15 to 2021-22 and for financial year 2022-23 penalty of ₹28,800 was imposed upon 3 directors in default.

www.mca.gov.in/bin/dms/getdocument?mds=JzuEWFz08oj6Gi0bfnanzJw%253D%253D&type=open

Adjudication order for violation of section 158 of the Companies Act, 2013 in the matter of WIND WORLD (INDIA) LIMITED

ROC Goa, Daman & Diu issued an adjudication order dated 15th April 2024 in the matter of Wind World (India) Limited for violating the provisions of section 158 of the Act by not mentioning DIN over the reply submitted to the Inquiry Officer conducted u/s 206(4) of the Act. The Adjudicating Authority imposed monetary penalty of ₹50,000 each upon the company and upon the director in default.

www.mca.gov.in/bin/dms/getdocument?mds=ifysOpwrGEkKuj%252FNALBlw%253D%253D&type=open

Adjudication order for violation of Section 137 of the Companies Act, 2013 in the matter of ENSA STEEL INDUSTRIES LIMITED

ROC Mumbai issued an adjudication order dated 3rd June 2024 in the matter of ENSA Steel Industries Limited for not filing its financial statements for the financial year 2018-19 within prescribed time limits as specified under section 137 of the Companies Act, 2013. The Adjudicating Authority has imposed monetary penalty of ₹5,00,000

each upon the company and directors of the company (officers in default).

www.mca.gov.in/bin/dms/getdocument?mds=IHW9DvMbQOMjkRzQzwo0fw%253D%253D&type=open

Adjudication orders for violation of section 149 & 173 of the Companies Act, 2013 in the matter of CMR SURGICAL PRIVATE LIMITED

ROC Daman & Goa issued adjudication order dated 23rd April 2024 in the matter CMR Surgical Private Limited for violating the provisions of section 149(1) & (3) and section 173 of the Companies Act, 2013 by not appointing requisite number of directors on the Board of company, not appointing any resident director on its Board and not holding its Board meeting within time limit prescribed under the Act, respectively. The Adjudication Authority has imposed penalty of ₹70,000 each upon the company, exiting director and Company Secretary for violation of section 149(1) of Act. The Authority also imposed penalty of ₹73,500 each upon company, exiting director, Company Secretary and ₹53,500 upon newly appointed director for violating the section 149(3) of the Act. Penalty of ₹42,000 each was also imposed by the Authority upon the company, director and Company Secretary for not holding the Board meeting within prescribed time limits and violating section 173 of Act.

www.mca.gov.in/bin/dms/getdocument?mds=XSQDRbdfhmQ6fdV4DgvQjA%253D%253D&type=open

Adjudication Order for violation of Section 137(1) of the Companies Act, 2013 in the matter of GARIMA REAL ESTATE & ALLIED LIMITED

ROC Gwalior issued an adjudication order dated 11th June 2024 in the matter Garima Real Estate & Allied Limited for not filing its financial statement for the financial years from 2018-19 to 2022-23 within prescribed time limits as specified under section 137 of the Companies Act, 2013. For the violating the provisions of section 137 of the Act, the Adjudication Authority has imposed penalty of ₹1,77,500, ₹1,41,000, ₹1,04,500, ₹68,000 and ₹31,500 upon company for financial years ending on 31.03.2019, 31.03.2020, 31.03.2021, 31.03.2022 and 31.03.2023 respectively. Penalty of ₹50,000 was imposed upon 3 directors of company for each financial year from ending on 31.03.2019 to 31.03.2022 and for financial year ending on 31.03.2023 ₹31,500 was imposed as penalty upon such 3 directors in default.

www.mca.gov.in/bin/dms/getdocument?mds=qZr8BLJTUMISoCz9SWU4Bg%253D%253D&type=open

Adjudication order for violation of section 12(1) of the Companies Act, 2013 in the matter of PROVALUE ELECTRIC PRIVATE LIMITED

ROC Jaipur issued an adjudication order dated 30th May 2024 in the matter of Provalue Electric Private Limited for

violating the provisions of Section 12 of the Companies Act, 2013 for not maintaining the Registered Office of the company. The adjudicating authority has imposed monetary penalty of ₹ 74,000 upon company and each of its 2 directors (officers in default).

www.mca.gov.in/bin/dms/getdocument?mds=0q1lCbS4QY%252F8ioIGPPTGsg%253D%253D&type=open

Adjudication order for violation of section 203 of the Companies Act, 2013 in the matter of SIVA VALLI VILAS JEWELLERS PRIVATE LIMITED

ROC Puducherry issued an adjudication order dated 7th June 2024 in the matter of Siva Valli Vilas Jewellers Private Limited for violating the provisions of Section 203 of the Companies Act, 2013 for not appointing the whole-time Company Secretary within stipulated time. The adjudicating authority has imposed monetary penalty of ₹5,00,000 each upon the company and on its managing director and one its directors (officers in default).

www.mca.gov.in/bin/dms/getdocument?mds=SH%252B9ZzwADXGqEtsIOS8S9Q%253D%253D&type=open

Adjudication order for violation of section 168(1) of the Companies Act, 2013 in the matter of TRITIUM INFRASTRUCTURE PRIVATE LIMITED.

ROC Jaipur issued an adjudication order dated 21st May 2024 in the matter of Tritium Infrastructure Private Limited for violating the provisions of Section 168 of Companies Act, 2013 regarding intimation of resignation of Director of the Company. The adjudicating authority has imposed monetary penalty of ₹300000 upon the company and penalty of ₹1,00,000 each on two of company's directors (officers in default).

www.mca.gov.in/bin/dms/getdocument?mds=r6IYDZihfP2Dz%252FYjhKW3Qw%253D%253D&type=open

Adjudication order for violation of section 29(1) of the Companies Act, 2013 in the matter of BIOGENOMICS LIMITED

ROC Puducherry issued an adjudication order dated 7th June 2024 in the matter of Biogenomics Limited for violating the provisions of Section 29 of the Companies Act, 2013 for not dematerialising the shares of the company. The Company allotted shares in physical form on 5 separate dates i.e., 03.11.2020, 18.03.2021, 31.05.2021, 11.08.2021 and 01.10.2021 and for such issuance of shares in physical mode by violating provisions of section 29(1) of Act, the Adjudication Authority imposed of ₹ 2,00,000 upon the company & ₹ 50,000 upon officers in default for allotment of shares done on 03.11.2020 & 18.03.2021. For allotment of shares on 31.05.2021, 11.08.2021 and 01.10.2021, penalty imposed upon the company was ₹ 1,53,000, ₹ 82,000 and ₹ 29,000 respectively and officers in default ₹ 50,000 for allotments done on 31.05.2021 & 11.08.2021 and ₹ 29,000 for allotment of shares done on 01.10.2021.

mca.gov.in/bin/dms/getdocument?mds=3p9uKewP6YIXCS3RxHIeg%253D%253D&type=open

Adjudication order for violation of section 203 of the Companies Act, 2013 in the matter of BIOGENOMICS LIMITED

ROC Puducherry issued an adjudication order dated 7th June 2024 in the matter of Biogenomics Limited for violating the provisions of Section 203 of the Companies Act, 2013 for not appointing the whole-time Company Secretary within stipulated time. The adjudicating authority has imposed monetary penalty of ₹5,00,000 upon the company and penalty of ₹1,50,000 each on 9 of its directors (officers in default).

www.mca.gov.in/bin/dms/getdocument?mds=jEdfl%252BKHu3vqWd4CE5FVSw%253D%253D&type=open

Adjudication Order for violation of Section 92(4) of the Companies Act, 2013 in the matter of MEGASYS HEALTHCARE LIMITED

ROC Gwalior issued an adjudication order dated 10th June 2024 in the matter Megasys Healthcare Limited for not filing the annual return for the financial year 2017-18 to 2021-22 within prescribed time limits as specified under section 92 of the Companies Act, 2013. For the said violation, the Adjudication Authority has imposed penalty of ₹2,00,00, ₹1,74,300, ₹1,37,800, ₹1,01,300 and ₹64,800 upon company for financial years ending on 31.03.2018, 31.03.2019, 31.03.2020, 31.03.2021 and 31.03.2022 respectively. Penalty of ₹50,000 was imposed upon 3 directors of company for each financial year from ending on 31.03.2018 to 31.03.2022.

www.mca.gov.in/bin/dms/getdocument?mds=NXBXXEqTjKNPXRSgQ2Apmw%253D%253D&type=open

Adjudication Order for violation of Section 137(1) of the Companies Act, 2013 in the matter of MEGASYS HEALTHCARE LIMITED

ROC Gwalior issued an adjudication order dated 10th June 2024 in the matter Megasys Healthcare Limited for not filing its financial statement for the financial years from 2018-19 to 2021-22 within prescribed time limits as specified under section 137 of the Companies Act, 2013. For the violating the provisions of section 137 of the Act, the Adjudication Authority has imposed penalty of ₹1,77,400, ₹1,40,900, ₹1,04,400 and ₹67,900 upon company for financial years ending on 31.03.2019, 31.03.2020, 31.03.2021 and 31.03.2022 respectively. Penalty of ₹50,000 was imposed upon 3 directors of company for each financial year from ending on 31.03.2019 to 31.03.2022.

www.mca.gov.in/bin/dms/getdocument?mds=Uyn5WvHCHL9EqUwGiLY4Q%253D%253D&type=open

Adjudication order for violation of Section 134 of the Companies Act, 2013 in the matter of VELOTIO TECHNOLOGIES PRIVATE LIMITED

ROC Pune issued an adjudicated order dated 27th May 2024 in the matter of Velotio Technologies Private Limited in the reply to company's suo-moto application for adjudication of penalty for violation of section 134(3)

(h) of Companies Act, 2013 for non-reporting of exact nature of the relationship with the service contractor of related party for the year March 31, 2021 and March 31, 2022 in the Form AOC-2 and imposed penalty of ₹ 6,00,000 upon company and ₹1,00,000 upon each of its 2 Directors (officers in default)

www.mca.gov.in/bin/dms/getdocument?mds=VCT0moKLE%252B7jR5yu90Z%252FdQ%253D%253D&type=open

Adjudication order for violation of section 42(7) of the Companies Act, 2013 in the matter of YOTTA AGRO VENTURES PRIVATE LIMITED

ROC Jaipur issued an adjudication order dated 3rd June 2024 in the matter of Yotta Agro Ventures Private Limited for violating the provisions of section 42(7) of the Companies Act, 2013 by utilizing the medium of public advertisement for informing public at large about issue of securities. The adjudicating authority has imposed monetary penalty of ₹1,00,00,000 upon the company and ₹23,78,500 on two directors of the company (officers in default).

www.mca.gov.in/bin/dms/getdocument?mds=1nCFIE9b9pByGCc023MTDA%253D%253D&type=open

Adjudication order for violation of Section 92 of the Companies Act, 2013 in the matter of PAL CREDIT & CAPITAL LIMITED

ROC Mumbai issued an adjudication order dated 3rd June 2024 in the matter PAL Credit & Capital Limited for not filing the annual return for the financial year 2018-19 within prescribed time limits as specified under section 92 of the Companies Act, 2013. The adjudicating authority has imposed monetary penalty of ₹5,00,000 upon the company and on manager of the company (officers in default).

www.mca.gov.in/bin/dms/getdocument?mds=EyvBRY8jvogXs5xnZEmCgQ%253D%253D&type=open

Adjudication order for violation of Section 137 of the Companies Act, 2013 in the matter of PAL CREDIT & CAPITAL LIMITED

ROC Mumbai issued an adjudication order dated 3rd June 2024 in the matter of Pal Credit & Capital Limited for not filing its financial statement for the financial year 2018-19 within prescribed time limits as specified under section 137 of the Companies Act, 2013. The Adjudicating Authority has imposed monetary penalty of ₹10,00,000 upon the company and ₹5,00,000 upon CFO and manager of the company (officers in default).

www.mca.gov.in/bin/dms/getdocument?mds=wFhCbtoYP1XqXHv29bUiw%253D%253D&type=open

Adjudication order for violation of Section 92 of the Companies Act, 2013 in the matter of INDIA CONTAINERS LIMITED

ROC Mumbai issued an adjudication order dated 28th May 2024 in the matter of India Containers Limited for not filing the annual return for the financial year 2018-

19 within prescribed time limits as specified under section 92 of the Companies Act, 2013. The Adjudicating Authority has imposed monetary penalty of ₹5,00,000 each upon the company and three directors and one additional directors of the company (officers in default).

www.mca.gov.in/bin/dms/getdocument?mds=9oJh90ce06sdoVCYM58Y8Q%253D%253D&type=open

Adjudication order for violation of Section 92 of the Companies Act, 2013 in the matter of NEXTGEN ANIMATION MEDIAA LIMITED

ROC Mumbai issued an adjudication order dated 3rd June 2024 in the matter of Nextgen Animation Mediaa Limited for not filing the annual return for the financial year 2018-19 within prescribed time limits as specified under section 92 of the Companies Act, 2013. The Adjudicating Authority has imposed monetary penalty of ₹5,00,000 each upon the company and on managing director of the company (officers in default).

www.mca.gov.in/bin/dms/getdocument?mds=OdBFc4BEnsDzJ3ES9TYDjA%253D%253D&type=open

Adjudication order for violation of Section 92 of the Companies Act, 2013 in the matter of PCI PAPERS LIMITED

ROC Mumbai issued an adjudication order dated 17th January 2024 in the matter of Pci Papers Limited for not filing the annual return for the financial year 2018-19 within prescribed time limits as specified under section 92 of the Companies Act, 2013. The Adjudicating Authority has imposed monetary penalty of ₹5,00,000 each upon the company and two whole-time directors of the company (officers in default).

www.mca.gov.in/bin/dms/getdocument?mds=wMvEm5MCMcsYLb8%252FEyILDQ%253D%253D&type=open

Adjudication order for violation of Section 137 of the Companies Act, 2013 in the matter of NEXTGEN ANIMATION MEDIAA LIMITED

ROC Mumbai issued an adjudication order dated 3rd June 2024 in the matter of Nextgen Animation Mediaa Limited for not filing its financial statement for the financial year 2018-19 within prescribed time limits as specified under section 137 of the Companies Act, 2013. The Adjudicating Authority has imposed monetary penalty of ₹10,00,000 upon the company and ₹5,00,000 upon managing director of the company (officers in default).

www.mca.gov.in/bin/dms/getdocument?mds=buW9TmfU8ltQwPGb8BSxmQ%253D%253D&type=open

Adjudication order for violation of Section 137 of the Companies Act, 2013 in the matter of KWICK HOME APPLIANCE SERVICE LIMITED

ROC Mumbai issued an adjudication order dated 3rd June 2024 in the matter of Kwick Home Appliance Service Limited for not filing its financial statement for the financial year 2018-19 within prescribed time limits as specified under section 137 of the Companies Act,

2013. The Adjudicating Authority has imposed monetary penalty of ₹10,00,000 upon the company and ₹5,00,000 upon director of the company (officers in default).

www.mca.gov.in/bin/dms/getdocument?mds=LlIfTdlTsZZCDoGrVe1b6A%253D%253D&type=open

Adjudication order for violation of Section 92 of the Companies Act, 2013 in the matter of KWICK HOME APPLIANCE SERVICE LIMITED

ROC Mumbai issued an adjudication order dated 3rd June 2024 in the matter of Kwick Home Appliance Service Limited for not filing the annual return for the financial year 2018-19 within prescribed time limits as specified under section 92 of the Companies Act, 2013. The Adjudicating Authority has imposed monetary penalty of ₹5,00,000 each upon the company and director of the company (officers in default).

www.mca.gov.in/bin/dms/getdocument?mds=HgYJRL8QX4EEUamEijgeAQ%253D%253D&type=open

Adjudication order for violation of Section 137 of the Companies Act, 2013 in the matter of PCI PAPERS LIMITED

ROC Mumbai issued an adjudication order dated 17th January 2024 in the matter of Pci Papers Limited for not filing its financial statement for the financial year 2018-19 within prescribed time limits as specified under section 137 of the Companies Act, 2013. The Adjudicating Authority has imposed monetary penalty of ₹10,00,000 upon the company and ₹5,00,000 each upon two whole-time directors of the company (officers in default).

www.mca.gov.in/bin/dms/getdocument?mds=HVMbTKHwg5xONwfYdRz6%252BQ%253D%253D&type=open

Adjudication order for violation of Section 137 of the Companies Act, 2013 in the matter of INDIA CONTAINERS LIMITED

ROC Mumbai issued an adjudication order dated 28th May 2024 in the matter of India Containers Limited for not filing its financial statement for the financial year 2018-19 within prescribed time limits as specified under section 137 of the Companies Act, 2013. The Adjudicating Authority has imposed monetary penalty of ₹10,00,000 upon the company and ₹5,00,000 each upon three director and one additional director of the company (officers in default).

www.mca.gov.in/bin/dms/getdocument?mds=IymnGNLq2JohuHqWirTUZA%253D%253D&type=open

Adjudication order for violation of section 92 and 137 of the Companies Act, 2013 in respect of SS Mining and Infra Private Limited

ROC Cuttak issued an adjudication order dated 18th June 2024 in the matter of SS Mining and Infra Private Limited for violating the provisions of section 92 & 137 of the Companies Act, 2013 by not filing its Annual Return & financial statements for the financial years ending on 31.03.2015 to 31.03.2021 within stipulated timeframe.

The Adjudicating Authority imposed penalty of ₹2,00,000 for each financial year from 31.03.2015 to 31.03.2018, ₹1,75,700, ₹1,39,200 and ₹1,02,700 upon company; for financial years ending on 31.03.2019, 31.03.2020 and 31.03.2021 respectively, penalty of ₹2,00,000 was imposed upon 7 directors of company for each financial year from 31.03.2015 to 31.03.2021. For violating the provisions of section 137 of the Act, the Adjudication Authority has imposed penalty of ₹2,00,000 for each financial year from 31.03.2015 to 31.03.2018, ₹1,78,700, ₹1,42,200 and ₹1,05,700 upon company for financial years ending on 31.03.2019, 31.03.2020 and 31.03.2021 respectively, penalty of ₹2,00,000 was imposed upon 7 directors of company for each financial year from 31.03.2015 to 31.03.2021.

www.mca.gov.in/bin/dms/getdocument?mds=cAsWJKh8VmWPvtPAZ9r6Hg%253D%253D&type=open

Adjudication Order for violation of section 118 of the Companies Act, 2013 in the matter of INTO EDUCATION INDIA PRIVATE LIMITED

ROC Delhi issued an adjudication order dated 18th June 2024 in the matter of Into Education India Private Limited for violating the provisions of section 118 of Act read with provisions of Secretarial Standard-1 by not conducting the Board meeting within stipulated time. The Adjudication Authority has imposed penalty of ₹25,000 upon the company and ₹ 5,000 upon 4 directors of company (officers in default).

www.mca.gov.in/bin/dms/getdocument?mds=bfEv%252B1PhTNrJWGrgqmJZew%253D%253D&type=open

Adjudication order for violation of Section 118 of the Companies Act, 2013 in the matter of GD DESIGN & PACKAGING PRIVATE LIMITED

ROC Pune issued an adjudication order dated 13th June 2024 in the matter of GD Design & Packaging Private Limited as the pages of the Minutes Book are not numbered. Thus, the company and its officers have violated provisions of Section 118 read with SS-1 of Companies Act, 2013. The Adjudication Authority has imposed penalty of ₹25,000 upon the company and ₹ 5,000 upon 3 directors of company (officers in default).

www.mca.gov.in/bin/dms/getdocument?mds=iJ2uynpHsCgAm0UWpAwH5g%253D%253D&type=open

Adjudication Order for violation of section 173 of the Companies Act, 2013 in the matter of INTO EDUCATION INDIA PRIVATE LIMITED

ROC Delhi issued an adjudication order dated 18th June 2024 in the matter of Into Education India Private Limited for violating the provisions of section 173 of Act by not conducting the Board meeting within the time period as stipulated under the Act. For violation of section 172 of the Adjudication Authority has imposed penalty of ₹70,000 upon the company and 4 directors (including additional director) of company (officers in default). The company also violated another provision of section 173 of

Act by not holding 4 meetings in a year, the Adjudication Authority penalize the company & each of 4 directors of company with penalty amount of ₹10,000.

www.mca.gov.in/bin/dms/getdocument?mds=ObLbZcrdKiIA%252F3c0FMA4SQ%253D%253D&type=open

Adjudication order for violation of section 90 of the Companies Act, 2013 in the matter of Samsung SDI INDIA PRIVATE LIMITED

ROC Kanpur issued an adjudication order dated 12th June 2024 in the matter of Samsung SDI India Private Limited for violating the provision of section 90 of the Companies Act, 2013 by not filing the declaration of beneficial interest of SBO in the company's shares through e-form BEN-2 within stipulated timeframe. The Adjudicating Authority have imposed penalty of ₹5,00,000 u/s 90(4) upon the company and ₹1,00,000 has been imposed upon two of company's director & company secretary of company (Officer in default).

www.mca.gov.in/bin/dms/getdocument?mds=6%252Fa0p7FKTcFNcQyXCVTIYg%253D%253D&type=open

Adjudication Order for violation of section 118 of the Companies Act, 2013 in the matter of TELEONE ONLINE VENTURE PRIVATE LIMITED

ROC Delhi issued an adjudication order dated 13th June 2024 in the matter of Teleone Online Venture Private Limited as the notice of AGM issued by the company was not serially numbered and thus violating the provisions of SS-1 & SS-2 r.w section 118 of the Act. The Adjudicating Authority imposed penalty of ₹12,500 upon the company and ₹2,500 upon two of company's director (Officer in default) for violating SS-1 & SS-2.

www.mca.gov.in/bin/dms/getdocument?mds=juVM0c29F3hOrRwdQSD7fQ%253D%253D&type=open

Adjudication order for violation of section 90 of the Companies Act, 2013 in the matter of SAMSUNG DISPLAY NOIDA PRIVATE LIMITED

ROC Kanpur issued an adjudication order dated 12th June 2024 in the matter of Samsung Display Noida Private Limited for violating the provision of section 90 of the Companies Act, 2013 by not filing declaration of beneficial interest of SBO in the company's shares through e-form BEN-2 within stipulated timeframe. The Adjudicating Authority have imposed penalty of ₹5,00,000 u/s 90(4) upon the company and ₹1,00,000 has been imposed upon one director & ex-Company Secretary of company (Officer in default), also the penalty of ₹64,600 was imposed on another director and ₹49,600 upon CS.

www.mca.gov.in/bin/dms/getdocument?mds=HnREIRNL95DmwQL0sHZ0cw%253D%253D&type=open

Adjudication Order for violation of Section 12(1) of the Companies Act, 2013 in the matter of MEGASYS HEALTHCARE LIMITED

ROC Gwalior issued an adjudication order dated 11th June 2024 in the matter of Megasys Healthcare Limited for violating the provisions of Section 12 of the Companies Act, 2013 for not maintaining the Registered Office of the company. The Adjudicating Authority has imposed

monetary penalty of ₹ 1,00,000 upon company and each of its 3 directors (officers in default).

www.mca.gov.in/bin/dms/getdocument?mds=NchlKWbvY7dbE2keF%252BjxBg%253D%253D&type=open

Adjudication Order for violation of Section 180(1)(C) of the Companies Act, 2013 in the matter of ISHA NIDHI LIMITED

ROC Ahmedabad issued adjudication order dated 25th June 2024 in the matter of Isha Nidhi Limited for not obtaining the shareholder's approval for having borrowing in excess to the permissible limit provided under section 180(1)(c) of the Companies Act, 2013 for financial years 2017-18 and 2018-19. The Adjudication Authority imposed penalty of ₹2,00,000 & ₹50,000 upon the company & 3 directors in default for financial year 2017-18. For repeated default in financial year 2018-19 penalty of ₹4,00,000 upon the company and ₹1,00,000 upon 3 directors was imposed by the Adjudication Authority.

www.mca.gov.in/bin/dms/getdocument?mds=rARDLq87%252BhRiRmZEDfKfA%253D%253D&type=open

Adjudication Order for Violation of Section 137(1) of the Companies Act, 2013 in the matter of ISHA NIDHI LIMITED

ROC Ahmedabad issued adjudication order dated 25th June 2024 in the matter of Isha Nidhi Limited for not filing its Financial Statements for the financial years 2019-20, 2020-21, 2021-22 and 2022-23 within prescribed time limits as specified under section 137 of the Companies Act, 2013. For the violating the provisions of section 137 of the Act, the Adjudication Authority has imposed penalty of ₹1,31,500, ₹98,100, ₹67,700 and ₹31,200 upon company for each financial year 2019-20, 2020-21, 2021-22 and 2022-23 respectively. Penalty of ₹50,000 was imposed upon 3 directors of company for each financial years 2019-20, 2020-21 & 2021-22 and for financial year 2022-23 penalty of ₹31,200 was imposed upon 3 directors.

www.mca.gov.in/bin/dms/getdocument?mds=IIS4XZ7jVYVDvkKZUpJJ1A%253D%253D&type=open

Adjudication Order for Violation of Section 92(4) of the Companies Act, 2013 in the matter of ISHA NIDHI LIMITED

ROC Ahmedabad issued adjudication order dated 25th June 2024 in the matter of Isha Nidhi Limited for not filing its Annual Return for the financial years 2019-20, 2020-21, 2021-22 and 2022-23 within prescribed time limits as specified under section 92 of the Companies Act, 2013. The Adjudication Authority has imposed penalty of ₹1,28,500, ₹94,900, ₹64,700 and ₹28,200 upon company for each financial year 2019-20, 2020-21, 2021-22 and 2022-23 respectively. Penalty of ₹50,000 was imposed upon 3 directors of company for each financial years 2019-20, 2020-21 & 2021-22 and for financial year 2022-23 penalty of ₹28,200 was imposed upon 3 directors.

www.mca.gov.in/bin/dms/getdocument?mds=RoAq3khSyDAzcCjq7CKrRw%253D%253D&type=open

Adjudication Order for Violation of Section 92(4) of the Companies Act, 2013 in the matter of LIFEGUARD FINANCIAL NIDHI LIMITED

ROC Ahmedabad issued adjudication order dated 24th June 2024 in the matter of Lifeguard Financial Nidhi Limited for not filing its Annual Return for the financial years 2019-20 and 2020-21 within prescribed time limits as specified under section 92 of the Companies Act, 2013. The Adjudication Authority has imposed penalty of ₹1,28,500 and ₹94,800 upon company for financial years 2019-20 and 2020-21 respectively. Penalty of ₹50,000 was imposed upon 3 directors of company for each financial year 2019-20 and 2020-21.

www.mca.gov.in/bin/dms/getdocument?mds=IWG%252BWGjd5ZZUlofPKO0ZkA%253D%253D&type=open

Adjudication Order for Violation of Section 137(1) of the Companies Act, 2013 in the matter of LIFEGUARD FINANCIAL NIDHI LIMITED

ROC Ahmedabad issued adjudication order dated 24th June 2024 in the matter of Lifeguard Financial Nidhi Limited for not filing its financial statement for the financial years 2019-20, 2020-21 and 2022-23 within prescribed time limits as specified under section 137 of the Companies Act, 2013. The Adjudication Authority has imposed penalty of ₹1,31,400, ₹98,000 and ₹31,100 upon company for financial years 2019-20, 2020-21 and 2022-23 respectively. Penalty of ₹50,000 was imposed upon 3 directors of company for financial years 2019-20 and 2020-21 and for financial year 2022-23 penalty of ₹31,100 was imposed upon 3 directors.

www.mca.gov.in/bin/dms/getdocument?mds=oZJEaEoC2wJ8NklcLdLuQ%253D%253D&type=open

Adjudication Order for Violation of Section 180(1)(c) of the Companies Act, 2013 in the matter of LIFEGUARD FINANCIAL NIDHI LIMITED

ROC Ahmedabad issued adjudication order dated 24th June 2024 in the matter of Lifeguard Financial Nidhi Limited for not obtaining the shareholder's approval for having borrowing in excess of the permissible limit provided under section 180(1)(c) of the Companies Act, 2013 for financial years 2015-16, 2016-17, 2017-18, 2018-19 and 2021-22. The Adjudication Authority imposed penalty of ₹2,00,000 & ₹50,000 upon the company & 3 directors in default for financial year 2015-16 respectively. For repeated default in financial years 2016-17, 2017-18, 2018-19 and 2021-22, penalty of ₹4,00,000 upon the company and ₹1,00,000 upon 3 directors in default for each financial year was imposed by the Adjudication Authority respectively.

www.mca.gov.in/bin/dms/getdocument?mds=5fWofaH6NOhNZu1Ktbfk2g%253D%253D&type=open

Adjudication Order for Violation of Section 29 of the Companies Act, 2013 in the matter of HIMALAYA COTTON YARN LIMITED

ROC Ahmedabad issued adjudication order dated 21st June 2024 in the matter of Himalaya Cotton Yarn Limited for violating the provisions of Section 29 of the Companies Act, 2013 for not dematerialising the shares of the company and also transfer of shares in physical mode violating section 29 read with rule 9A(3)(a) of Companies (Prospectus and Allotment of Securities) Rules, 2014. The Adjudicating Authority imposed penalty of ₹50,000 upon the company & Managing Director of Company.

Penalty of ₹ 82,30,000 also imposed on 823 Transferors of shares in physical mode and ₹24,90,000, ₹28,10,000, ₹15,10,000, ₹25,70,000, ₹55,10,000, ₹15,10,000 upon 6 transferees of shares respectively.

www.mca.gov.in/bin/dms/getdocument?mds=UnA8AozTue7BoOwnDXIWuQ%253D%253D&type=open

Adjudication Order for Violation of Section 117 of the Companies Act, 2013 in the matter of KRATOS IMPEX LIMITED

ROC Ahmedabad issued adjudication order dated 19th June 2024 in the matter of Kratos Impex Limited for not filing MGT-14 for altering MOA within prescribed time limit under section 117 of the Companies Act, 2013. The Adjudication Authority imposed penalty of ₹1,30,100 upon the company and ₹17,100 upon 2 directors, ₹50,000 upon 4 directors and ₹47,800 upon 1 director in default.

www.mca.gov.in/bin/dms/getdocument?mds=Rede4CPMDy%252BcbvdkUWnfA%253D%253D&type=open

Adjudication order for violation of section 90 of the Companies Act, 2013 in the matter of DEER SMART INDIA PRIVATE LIMITED

ROC Kanpur issued an adjudication order dated 28th June 2024 in the matter of Deer Smart India Private limited for violating the provision of section 90 of the Companies Act, 2013 by not filing the declaration of beneficial interest of SBO in the company's shares through e-form BEN-2 within stipulated timeframe. The Adjudicating Authority imposed penalty of ₹5,00,000 u/s 90(4) of the Act upon the company and penalty of ₹1,00,000 & ₹54,000 imposed upon two directors of the Company respectively.

www.mca.gov.in/bin/dms/getdocument?mds=BFGh0dii%252BISDggWhBfuXtA%253D%253D&type=open

Adjudication order for violation of section 42 of the Companies Act, 2013 in the matter of RICHESM HEALTHCARE LIMITED

ROC Kanpur issued an adjudication order dated 27th June 2024 in the matter of Richesm Healthcare Limited for making two private placement offers without closing the already open offers which is a violation of section 42 of the Companies Act, 2013. The Adjudicating Authority imposed penalty of ₹2,00,000 & ₹1,00,000 upon the company and 3 promotor & directors of company for each of two violations respectively.

www.mca.gov.in/bin/dms/getdocument?mds=IwlhoIZAmOO6gjKNwd7z9w%253D%253D&type=open

Adjudication order for violation of section 90 of the Companies Act, 2013 in the matter of Banaras Beads Limited

ROC Kanpur issued an adjudication order dated 28th June 2024 in the matter of Banaras Beads Limited for violating the provision of section 90 of the Companies Act, 2013 by not filing the declaration of beneficial interest of SBO in the company's shares through e-form BEN-2 within stipulated timeframe. The Adjudicating Authority imposed penalty of ₹5,00,000 u/s 90(4) of the Act upon the company and penalty of ₹1,00,000 imposed upon the Company Secretary.

www.mca.gov.in/bin/dms/getdocument?mds=16S1Vv9wx7L5odtjB6GTEQ%253D%253D&type=open

Adjudication order for violation of section 155 of the Companies Act, 2013 in the matter of SMT. SHASHI SINGLA

ROC Chandigarh issued adjudication order dated 28th June 2024 in the matter of Smt. Shashi Singla for obtaining more than one DIN in violation of provisions of section 155 of the Companies Act, 2013. The Adjudication Authority imposed penalty of ₹4,14,500 upon Smt. Shashi Singla.

www.mca.gov.in/bin/dms/getdocument?mds=I9GuinY1Mzlvbpd3ZCWcPA%253D%253D&type=open

Adjudication Order for violation of Section 90 of the Companies Act, 2013 in the matter of ARIES HOTELS PRIVATE LIMITED

ROC Gwalior issued an adjudication order dated 26th June 2024 in the matter of Aries Hotels Private Limited for violating the provision of section 90 of the Companies Act, 2013 by not filing the declaration of beneficial interest of SBO in the company's shares through e-form BEN-2 within stipulated timeframe. The Adjudicating Authority imposed penalty of ₹2,00,000 u/s 90(1), ₹5,00,000 u/s 90(4A) and ₹2,00,000 u/s 90(5) of the Act upon the company and penalty of ₹1,00,000 and ₹50,000 imposed upon three directors of company under each section 90(4A) and 90(5) respectively.

www.mca.gov.in/bin/dms/getdocument?mds=mFoRX0V0JLItknDIWICLOA%253D%253D&type=open

Adjudication order for violation of section 90 of the Companies Act, 2013 in respect of YSK Developers Private Limited

ROC Hyderabad issued an adjudication order dated 24th June 2024 in the matter of YSK Developers Private Limited for violating the provision of section 90 of the Companies Act, 2013 by not filing the declaration of beneficial interest of SBO in the company's shares through e-form BEN-2 within stipulated timeframe. The Adjudicating Authority imposed penalty of ₹2,30,500 u/s 90(4) upon the company and penalty of ₹77,200 and ₹75,000 imposed upon two of company's directors & Company Secretary of company (Officer in default) respectively.

www.mca.gov.in/bin/dms/getdocument?mds=p7E76uekLVQed50J3uzyAw%253D%253D&type=open

Adjudication order for violation of Section 92(5) of the Companies Act, 2013 in the matter of HADAPSAR URBAN MULTIPLE NIDHI LIMITED

ROC Pune issued an adjudication order dated 26th June 2024 in the matter of Hadapsar Urban Multiple Nidhi Limited for not filing its Annual Return for the financial years from 2018-19 to 2020-21 within prescribed time limits as specified under section 92 of the Companies Act, 2013. For violating provisions of section 137 of the Act, the Adjudication Authority imposed penalty of ₹1,56,600, ₹1,19,900 and ₹92,600 upon company for financial years ending on 31.03.2019, 31.03.2020 and 31.03.2021 respectively. Penalty of ₹50,000 was imposed upon 4 directors of company for financial year ending on 31.03.2019, for financial year ending on 31.03.2020 penalty of ₹50,000 was imposed upon 3 directors and ₹22,500 was imposed upon one director. Penalty of ₹50,000 was imposed upon 3 directors for financial year ending 31.03.2021.

www.mca.gov.in/bin/dms/getdocument?mds=6bjsiZWvWWWhKFC6Vz8RY1w%253D%253D&type=open

Adjudication order for violation of Section 137(3) of the Companies Act, 2013 in the matter of HADAPSAR URBAN MULTIPLE NIDHI LIMITED

ROC Pune issued an adjudication order dated 26th June 2024 in the matter of Hadapsar Urban Multiple Nidhi Limited for not filing its financial statement for the financial years from 2018-19 to 2020-21 within prescribed time limits as specified under section 137 of the Companies Act, 2013. The Adjudication Authority imposed penalty of ₹1,59,500, ₹1,22,900 and ₹95,600 upon company for financial years ending 31.03.2019, 31.03.2020 and 31.03.2021 respectively. Penalty of ₹50,000 was imposed upon 4 directors of company for financial year ending 31.03.2019, for financial year ending 31.03.2020 penalty of ₹50,000 was imposed upon 3 directors and ₹25,500 was imposed upon one director. Penalty of ₹50,000 was imposed upon 3 directors for financial year ending 31.03.2021.

www.mca.gov.in/bin/dms/getdocument?mds=1irPW8ss86Yh56Cztvo99w%253D%253D&type=open

Adjudication order for violation of Section 117(3) of the Companies Act, 2013 in the matter of HADAPSAR URBAN MULTIPLE NIDHI LIMITED

ROC Pune issued an adjudication order dated 26th June 2024 in the matter of Hadapsar Urban Multiple Nidhi Limited for not filing of resolutions passed in Form MGT-14 for the financial years 31.03.2020 and 31.03.2021 and violating the provisions of section 117 of the Act. The Adjudicating Authority imposed monetary penalty of ₹1,26,000 and ₹98,700 upon company for each financial year ending on 31.03.2020 and 31.03.2021 respectively. Penalty of ₹50,000 was imposed upon 3 directors of company (officers in default).

www.mca.gov.in/bin/dms/getdocument?mds=OntjTyB8CWTEYDyip9D3fQ%253D%253D&type=open

Adjudication order for violation of Section 39(5) of the Companies Act, 2013 in the matter of HADAPSAR URBAN MULTIPLE NIDHI LIMITED

ROC Pune issued an adjudication order dated 26th June 2024 in the matter of Hadapsar Urban Multiple Nidhi Limited for not mentioning the address and occupation of the allottees attached to PAS-3 filed with ROC vide 2 separate SRNs and violating the provisions of section 39 of the Act. The Adjudicating Authority imposed penalty of ₹1,00,000 upon the company and upon 4 directors (Officer in default) for each filed PAS-3.

www.mca.gov.in/bin/dms/getdocument?mds=VHM2%252FIT5CcgP8r2mbH4BDQ%253D%253D&type=open

Adjudication order for violation of section 203 of Companies Act, 2013 in the matter of M/s Aura Hotels & Resorts Private Limited

GIST of RD Adjudication Order

In the matter of Aura Hotels & Resorts Private Limited the RD(NER) vide order dated 30th May, 2024 had reduced the quantum of penalty imposed by ROC, Guwahati to ₹1,10,000 from ₹5,00,000 for the company & ₹60,000 from ₹1,00,000 upon its 2 directors for violating the provisions of section 203 of the Act.

www.mca.gov.in/bin/dms/getdocument?mds=YyCDI08%252BYrcN86HSusoliA%253D%253D&type=open

CHARTERED SECRETARY

Advertisement

Tariff



(With Effect from September 2018)

BACK COVER (COLOURED)			COVER II/III (COLOURED)		
Non – Appointment			Non – Appointment		
Per Insertion	₹1,00,000		Per Insertion	₹ 70,000	
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12 Insertions	₹ 10,20,000		12 Insertions	₹ 7,14,000	
FULL PAGE (COLOURED)			HALF PAGE (COLOURED)		
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Per Insertion	₹ 50,000	₹ 15,000	Per Insertion	₹ 25,000	₹ 7,500
4 Insertions	₹ 1,80,000	₹ 54,000	4 Insertions	₹ 90,000	₹ 27,000
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12 Insertions	₹ 5,10,000	₹ 1,53,000	12 Insertions	₹ 2,55,000	₹ 76,500
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Full Page - 18X24 cm		Half Page - 9X24 cm or 18X12 cm		Quarter Page - 9X12 cm	

- ♦ The Institute reserves the right not to accept order for any particular advertisement.
- ♦ The Journal is published in the 1st week of every month and the advertisement material should be sent in the form of typed manuscript or art pull or open file CD before 20th of any month for inclusion in the next month's issue.

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भारतीय कम्पनी सचिव संस्थान
IN PURSUIT OF PROFESSIONAL EXCELLENCE
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7

BEYOND GOVERNANCE

Case Study

In order to make the Chartered Secretary Journal (CSJ) more interactive for the members and students, the Case Study section has been introduced from April issue. Each Case Study is followed by question(s) which are to be solved by member(s)/student(s). The answer(s) are to be sent to cs.journal@icsi.edu latest by 25th of each month.

The answer(s) will be reviewed by a Panel of reviewer(s). The winner will be given:

- (i) Certificate of Appreciation.
- (ii) His/Her name will be published in the next issue of the Journal.
- (iii) He/She will be awarded cash award of ₹ 2,500.

Crossword

A new section 'Crossword' containing terminologies/concepts from Companies Act, IBC, NCLT and such related areas of profession is introduced. Members/students are to send the answers of Crossword to cs.journal@icsi.edu latest by 25th of each month.

- The answer(s) will be published in the next issue of CSJ.
- The winners will be selected randomly.
- The name of three winners will be published in the next issue of CSJ.



CASE STUDY

BEFORE THE SECURITIES APPELLATE TRIBUNAL

Parties to the Dispute

FRP Limited ,Mr X , Mr. Y the director of FRP Limited and other noticees.....Appellants

Vs

SEBI..... the Respondents

All these appeals are against a common order dated February 3, 2021 passed by the Whole Time Member (hereinafter referred to as 'WTM') of Securities and Exchange Board of India (hereinafter referred to as 'SEBI') restraining the appellants from accessing the securities market for a specified period and to disgorge the unlawful gains and has also imposed penalties of different amounts on the ground that the term "generally available information" must only mean information which has been disseminated on the platform of the stock exchange.

FRP Limited (hereinafter referred as "the company") is engaged in the business of retail trading or various branded products, including grocery, fruits and vegetables, general merchandise, staples, fashion and accessories products. Mr. X is the chairman and Managing Director of the company.

One of the retail store formats operated by FRP was the "HomeTown" format which was a store for furniture, decor and home improvement ("HomeTown Business"). Bluerock e-Services Pvt. Ltd. (hereinafter referred to as 'BSPL') which was promoted by another listed company i.e. Future Enterprises Limited ("FEL"), operated an online home store, selling furniture, wood products and other home solutions-oriented decor products through a website i.e. www.fabfurnish.com (such business, hereinafter referred to as the "FabFurnish Business").

Facts of the case

The facts leading to the filing of the present appeals are:

1. SEBI conducted an investigation in the scrip of the company to ascertain whether certain entities had traded in the aforesaid scrip during the period March 10, 2017 to April 20, 2017 on the basis of Unpublished Price Sensitive Information (hereinafter referred to as 'UPSI') in contravention to the provisions of the Securities and Exchange Board of India Act, 1992 (hereinafter referred to as 'SEBI Act') and Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 (hereinafter referred to as 'PIT Regulations').
2. Investigation revealed that preliminary discussion for the proposed scheme of arrangement was carried out

on March 10, 2017 and finally the company made an announcement on April 20, 2017 regarding a scheme of arrangement between the company and LST Home Retail Pvt. Ltd. This scheme of arrangement resulted in the de-merger of certain business of the company and that the said announcement had a positive impact on the price of the scrip of the company.

3. The investigation further revealed that during the UPSI period the appellants being insiders had traded in the scrip in question which was violative of the PIT Regulations.
4. Accordingly, three show cause notices were issued to the appellants to show cause as to why suitable directions including debarment and disgorgement should not be issued under Section 11 and 11B of the SEBI Act for violation of Section 12A(d) and (e) of the SEBI Act and Regulation 4(1) of the PIT Regulations. The show cause notice also directed why appropriate direction for imposition of penalty should not be issued under Section 11B(2) read with Section 15G of the SEBI Act.
5. The show cause notice alleged that the UPSI period was from March 10, 2017 when the first discussion about the merger took place and April 20, 2017 when a corporate announcement was made by the company before the stock exchange. The show cause notice further alleged that noticees had traded during the UPSI period by buying shares of the company.

Submission by the Appellants

1. The appellants denied the allegations made in the show cause notice and contended that they did not trade during the UPSI period and that the information about the transaction was “generally available” and did not constitute UPSI.
2. It was contended that the information about the merger had been widely reported across numerous media platforms much before the dates on which the trades were undertaken.
3. The company had specifically clarified to the stock exchanges on March 7, 2017 that its board had authorized to consider various options in relation to the HomeTown business and that the announcement on April 17, 2017 was only a follow up announcement in respect of information about the transaction which was already in the public domain.
4. It was also urged that the HomeTown business and the FabFurnish business constituted a significantly small and miniscule portion of the

company’s over all business and, thus, did not have any significant impact to the price movement of the shares.

5. Contention of one of the notices was that he was involved in the project relating to the scheme of arrangement but had no access to any financial information at the point of time when he had traded and, therefore, he had no inside information nor had traded during the UPSI period.

Order by SEBI

The WTM after considering the material evidence on record held that all the appellants were insiders and were privy to the information relating to merger / de-merger of certain businesses of the company. The WTM further found that the appellants had traded during the UPSI period which was violative of Regulation 4(1) of the PIT Regulations. The WTM rejected the contention of the appellants that the information relating to merger was in the public domain and, therefore, was not a UPSI. The WTM came to the conclusion that the articles and interviews that was published did not give the particulars about the de-merger of the HomeTown business and the information was not specific in nature and, therefore, since the articles and interviews did not contain concrete information as specified that in the public announcement, therefore, it cannot be held that the information was in the public domain and, therefore, not a UPSI. The WTM accordingly, issued direction debarring the appellants for specified period under Section 11 and 11B of the SEBI Act. Further, the WTM directed the appellants to disgorge the unlawful gains and also imposed penalties.

Queries

Q. Whether the stand of SEBI w.r.t. definition of UPSI pertaining to “generally available information” is justified?

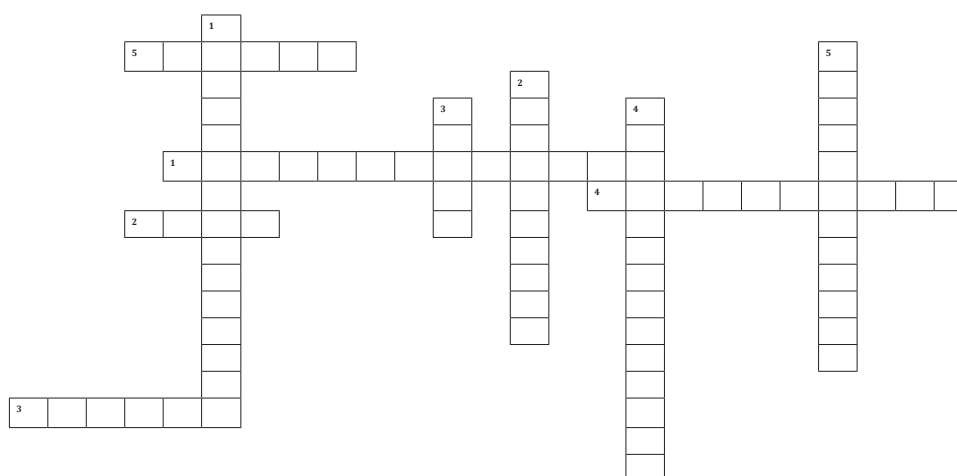
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Winners of Case Study – June 2024

CS Ashish Mehta
ACS 15469

CS Vaishali Agarwal
ACS 58347

CROSSWORD PUZZLE – COMPANY LAW - JULY 2024



ACROSS

1. A Nidhi shall be a public company and shall have a minimum paid up equity share capital of _____.
2. Under Companies Act, 2013, The application to the Central Government for removal of auditor shall be made in Form _____.
3. Under the Insolvency and Bankruptcy Board of India (Liquidation Process) Regulations, 2016. A liquidator, who fails to deposit any amount into the Corporate Liquidation Account under this regulation, shall deposit the same along with interest thereon at the rate of _____ percent per annum from the due date of deposit till the date of deposit.
4. Under the Insolvency and Bankruptcy Board of India (Insolvency Resolution Process for Corporate Persons) Regulations, 2016, The resolution professional shall circulate the minutes of the meeting to all participants by electronic means within _____ hours of the said meeting.
5. Voluntary relinquishment of a legal right is termed as 'Doctrine of _____'.

DOWNWARDS

1. An enterprise where the investment in plant and machinery or equipment does not exceed Rs.1

crore and turnover does not exceed Rs.5 crore is _____.

2. Under the Insolvency and Bankruptcy Board of India (Insolvency Resolution Process for Corporate Persons) Regulations, 2016, The financial creditors in the class, representing not less than _____ voting share may seek replacement of the authorised representative with an insolvency professional of their choice by making a request to the interim resolution professional or resolution professional.
3. Under the Companies Act, 2013, Where a director resigns from his office, he may within a period of thirty days from the date of resignation, forward to the Registrar a copy of his resignation along with reasons for the resignation in Form _____.
4. Under Insolvency and Bankruptcy Code, an undischarged insolvent shall not be eligible to submit _____.
5. Under the Insolvency and Bankruptcy Board of India (Liquidation Process) Regulations, 2016. the liquidator shall not commence _____ before the list of stakeholders and the asset memorandum has been filed with the Adjudicating Authority.

Winners - Crossword June 2024

1ST CS Meenu Gupta ACS-34932

2ND CS Shradha Agarwal ACS-68520

3RD CS Namita Singla ACS-70881

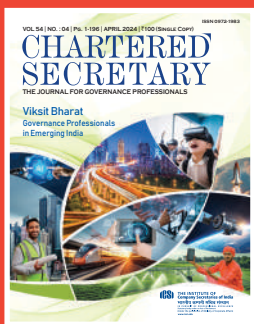
Crossword Puzzle – June 2024 Answers

ACROSS

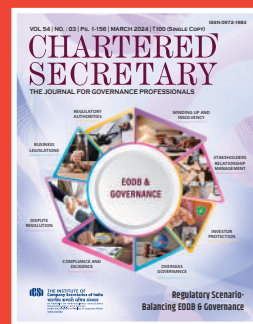
1. SIXTY-SIX
2. MGT.11
3. FORM J
4. FORM CA
5. ASBA

DOWNWARDS

1. AFFIDAVIT
2. ROLL CALL
3. FIVE LAKH RUPEES
4. ONE YEAR
5. ADT-3



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