Info Capsule

Tuesday, September 09, 2025

President
CS Dhananjay Shukla
Vice President
CS Pawan G Chandak

❖ *Capital Market and Securities Law*

- **The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) (Amendment) Regulations, 2025 (September 08, 2025)**

The Securities and Exchange Board of India (SEBI) vide its notification No. F. No. SEBI/LAD-NRO/GN/2025/262 dated 08th September, 2025, has notified "the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) (Amendment) Regulations, 2025" which shall come into force on the date of their publication in the Official Gazette. According to the amendment a new regulation 9A is inserted:

"9A. Employee identified as promoter or part of the promoter group in the draft offer document.
An employee who is identified as a "promoter" or part of the "promoter group" in the draft offer document filed by a company with the Board in relation to an initial public offering, and who was granted options, SAR or any other benefit under any scheme at least one year prior to filing of the draft offer document, shall be eligible to continue to hold and/or exercise such options, SAR or any other benefit, in accordance with its terms and subject to compliance with these regulations and other applicable laws."

For details:
https://egazette.gov.in/(S(oi1hfq4ohlu42gdvvagefgr1))/ViewPDF.aspx

- **The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Third Amendment) Regulations, 2025 (September 08, 2025)**

The Securities and Exchange Board of India (SEBI) vide its notification No. F. No. SEBI/LAD-NRO/GN/2025/261 dated 08th September, 2025, has notified "the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Third Amendment) Regulations, 2025" which shall come into force on the date of their publication in the Official Gazette. According the amendment inter alia provides:
i) A new sub-regulation 2A is inserted in regulation 39 stating: The listed entity shall issue securities pursuant to any Scheme of Arrangement or any subdivision, split or consolidation of securities only in the dematerialised form. Provided that the listed entity shall open a separate demat account for such securities of investors not having a demat account.
ii) sub-regulation (1) to regulation 91C which is stating norms pertaining to disclosures by a not for profit organisation is substituted and specified timelines for making annual disclosures to the Social Stock Exchange(s).

For details:
https://egazette.gov.in/(S(cb4ur3wljljoxlrz2eb4y2vy))/ViewPDF.aspx

❖ *Ministry of Corporate Affairs*

The Companies (Compromises, Arrangements and Amalgamations) Amendment Rules, 2025 (September 08, 2025)

The Ministry of Corporate Affairs (MCA) vide its notification G.S.R 603(E) dated September 04, 2025, has notified "the Companies (Compromises, Arrangements and Amalgamations) Amendment Rules, 2025" which shall come into force on the date of their publication in the Official Gazette. The amendment inter alia provides below insertion as new clause (iii) to rule 25(1A):
One or more unlisted company, (not being the company referred to in section 8 of the Act), with one or more unlisted company, (not being company referred to in section 8 of the Act), where every company involved in the merger,-
(a) has, in aggregate, outstanding loans, debentures or deposits not exceeding two hundred crore rupees, and
(b) has no default in repayment of loans, debentures or deposits referred to in sub-clause (a),
on a day, not more than thirty days before the date of notice referred to in clause (a) of sub-section (1) of section 233 of the Act and on the date of filing of scheme under sub-section (2) of section 233 of the Act.
Provided that a certificate from the auditor of the company that the company meets the conditions referred to in this clause shall be filed in Form No. CAA-10A along with the copy of the approved scheme referred to in subsection (2) of section 233 of the Act.
Further, various Forms CAA-9, CAA-10, CAA-11 and CAA-12 are substituted.

For details:
https://www.mca.gov.in/bin/dms/getdocument?mds=SYSKtbXJsx%252BNzNlhs92xwA%253D%253D&type=open

❖ *Ministry of Finance*

Government of India and Government of the State of Israel sign Bilateral Investment Agreement (BIA), in New Delhi (September 08, 2025)

The Union Minister for Finance and Corporate Affairs Smt. Nirmala Sitharaman and Finance Minister of Israel H.E. Mr. Bezalel Smotrich signed the BIA. The Agreement is expected to provide greater certainty and protection for investors, facilitating growth of trade and mutual investments by ensuring a minimum standard of treatment, and an independent dispute resolution mechanism through arbitration. The Agreement also includes provisions to safeguard investments against expropriation, ensure transparency, and enable smooth transfers and compensation for losses. Both Ministers emphasised commitment to advancing economic cooperation in the fields of fintech innovation, infrastructure development, financial regulation, and digital payment connectivity.

For details: *https://www.pib.gov.in/PressReleasePage.aspx?PRID=2164745*

❖ *Ministry of Labour & Employment*

India's unemployment rate is 2 per cent according to the World Economic Forum, making it the lowest among G20 nations (September 08, 2025)

Quoting the World Economic Forum's 'The Future of Jobs Report 2025', the Union Minister for Labour & Employment and Youth Affairs & Sports, Dr. Mansukh Mandaviya stated that India's unemployment rate is 2%, which is the lowest among the G20 nations. He highlighted how employment generation has taken place across sectors in tandem with India's rapid economic growth, and underlined the enabling government schemes that have contributed towards the same. The Union Minister was addressing the gathering in New Delhi on 08th September, 2025 at the signing of Memorandums of Understanding (MoU) between Ministry of Labour & Employment and 'Mentor Together' and 'Quikr' for enhancing employment opportunities as well as youth employability on the National Career Service (NCS) Portal. These partnerships would make suitable employment opportunities as well as structured mentoring available to job-seekers, particularly in light of the Pradhan Mantri Viksit Bharat Rozgar Yojana coming into effect in August this year.

For details: *https://www.pib.gov.in/PressReleasePage.aspx?PRID=2164631*

❖ *Views/Suggestions Sought from Regulator*

Draft Telecommunications (Authorisation for Provision of Main Telecommunication Services) Rules, 2025 (September 05, 2025)

Under the Draft Telecommunications (Authorisation for Provision of Main Telecommunication Services) Rules, 2025, Central Government proposes to make in exercise of the powers conferred by clause (a) of sub section (1) of section 3 read with clause (a) of sub-section (2) of section 56 of the Telecommunications Act, 2023 (44 of 2023) are hereby published for the information of all persons likely to be affected thereby and notice is hereby given that the said draft rules shall be taken into consideration after the expiry of a period of thirty days from the date on which copies of this notification as published in the Official Gazette, are made available to the public, Objections or suggestions, if any, may be addressed to the Joint Secretary (Telecom), Department of Telecommunications, Ministry of Communications, Government of India, Sanchar Bhawan, 20, Ashoka Road, New Delhi- 110001, The objections or suggestions which may be received from any person with respect to the said draft rules before the expiry of the aforesaid period shall be taken into consideration by the Central Government.

Draft Rules *inter - alia* provides provisions pertaining to Authorisation for Main Telecommunication Services; Financial Conditions; Technical and Operating Conditions, Specific Conditions for provision of telecommunication services using satellite system and General Conditions etc,. General Conditions *inter-alia* provides that an authorised entity shall submit to the Central Government by 15th January of every year, a compliance report on minimum paid up equity capital requirement, as of 1st January of that year, in the form and manner as may be specified on the portal for this purpose along with a certification by the company secretary or its statutory auditor appointed in accordance with Companies Act, 2013, confirming the same, countersigned by the duly authorised director of such authorised entity.

For details: *https://egazette.gov.in/(S(hquq4hizt3qxjrjxxtovah1j))/ViewPDF.aspx*

❖ *ESG Update*

Microsoft ESG Approach

- Accelerating progress to 2030, reaching key milestones and making meaningful progress. Together, with customers, partners, and employees, to build a healthier, more sustainable future.
- Tracking progress toward carbon negative by 2030 and water replenishment portfolio works to improve watershed health through a broad range of activities.
- From supporting pollinator habitats on campuses to integrating biodiversity into datacenter designs, Microsoft embedding ecological considerations into operations. Through partnerships and innovative technologies, Microsoft helping to protect and restore ecosystems locally and globally.
- In 2020, Microsoft committed to becoming zero waste by 2030—part of a broader effort to support the global transition to a circular economy and away from the traditional linear model of take, make, and waste.
- In FY24, the Company is diverted 88.1% of operational waste and reused or recycled 90.9% of servers and components—meeting goal a year early.
- In FY24, the Company diverted approximately 26,000 metric tons of waste from being landfilled or incinerated across owned datacenters and campuses.

For details: *https://www.microsoft.com/en-us/corporate-responsibility/sustainability/report/*

❖ *Pronouncement*

March 28, 2025	**National Restaurant Association of India & Ors (Petitioners) Versus Union of India & Anr(Respondents)**	**High Court of Delhi W.P.(C) 10683/2022 & CM APPLs.31033/2022, 45891/2023**

Whether the collection of mandatory Service Charge by restaurants is permissible under the Consumer Protection Act, 2019?

Brief Facts

The Central Consumer Protection Authority ('CCPA') established under Consumer Protection Act, 2019 received several complaints regarding restaurants and hotels charging 'Service Charge' over and above the cost of the food items. This Charge in the range of 5-20% in lieu of 'Tip' or 'Gratuity', was being collected from consumers on a compulsory basis. In addition, Goods and Services Tax ('GST') was charged on the said service charge, resulting in substantial burden to consumers. The CCPA then issued guidelines to prevent unfair trade practices and protect consumer interest with regard to levying of service charge, on 4thJuly, 2022.However, these guidelines were challenged in two writ petitions, one by the National Restaurants Association of India (NRAI) and another by the Federation of Hotels and Restaurants Association of India (FHRAI) seeking their quashing/setting-aside on the grounds that service charges had been a standard industry practice for decades and that CCPA lacked the authority to issue such Guidelines.

Judgement

Hon'ble High Court *inter- alia* observed that an analysis of the relevant provisions of the CPA, 2019 would show that the CCPA is the overall authority which has been vested with the power to take such measures as may be required to safeguard consumer interest. It can also prevent unfair trade practices by issuing guidelines under Section 18 (2) (l) of the CPA, 2019. The CCPA's role primarily, is to protect the rights and interests of the consumers. For this purpose, it has been vested with dual powers i.e. to take soft measures as also tough measures, if required.

Further Court said that a perusal of the definition provided in Section 2(46) of the CPA, 2019 shows that any practice which misleads the customer regarding price of the product, by imposing an unreasonable mandatory charge, would be an unfair contract. The restaurant establishments, by mandatorily collecting service charge, are in fact misleading the consumer about the actual price of products on the menu card. A consumer is conscious that apart from the amount mentioned on the menu card as the price of the product, the amount payable would only be such amount as is collected by the Government as a tax and nothing more. In fact, when a large number of food items are ordered, most consumers may not even notice the levy of the service charge that too in small print and may land up paying a much higher amount than what is chargeable. This constitutes unfair trade practice.

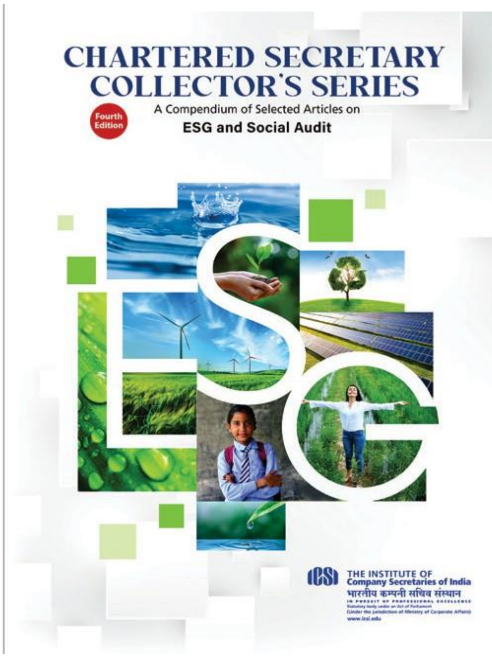
In the present case, mandatory levy of service charge by the restaurant establishments is against public interest and undermines the economic as well as social fabric of consumers as a class. It imposes an additional financial burden on the customers and distorts the principle of fair trade as the customer is mandatorily asked to pay the same, regardless of the consumer's satisfaction for the said service. Furthermore, such charge creates an unfair pricing structure which lacks transparency and therefore is contrary to public interest. Hence, the stand of the Petitioners that an implied contract is entered into by a customer and the restaurant establishment, does not stand and is legally untenable.

Hon'ble High Court held that the guidelines framed by the CCPA are thus valid and are in the interest of the consumers and the same are upheld.

For Details:

https://dhccaseinfo.nic.in/jsearch/judgement.php?path=dhc/PMS/judgement/28-03-2025/&name=PMS28032025CW106832022_170351.pdf

Chartered Secretary COLLECTOR SERIES - ESG and Social Audit



About the Book

The Chartered Secretary Collector's Series (Fourth Edition) - A Compendium of Selected Articles on ESG and Social Audit, is an attempt of the Institute towards collating the pearls of wisdom spread over the various editions and volumes of the Chartered Secretary Journal across years and bringing them within the bindings of a single publication.

Year of Publication: 2024

Price: Rs. 700/-

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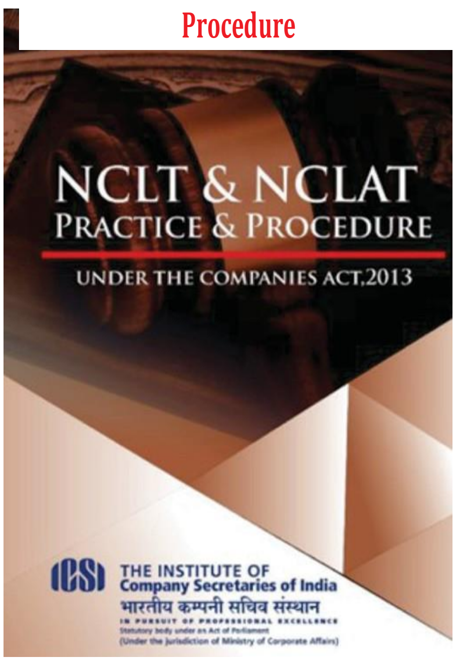
NCLT & NCLAT - Practice & Procedure



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The publication intends to provide a comprehensive insight into the functioning, significance, and evolving jurisprudence of the NCLT & NCLAT under the Companies Act, 2013 specifically garnering the role of Company Secretaries. The publication shall serve as a valuable companion in the exploration of the NCLT and NCLAT, enriching the understanding of Tribunal's role, procedures, and powers and as one stop solution for the hassles in NCLT practice for our practicing professionals. The publication intends to provide a comprehensive insight into the functioning, significance, and evolving jurisprudence of the NCLT & NCLAT under the Companies Act, 2013 specifically garnering the role of Company Secretaries. The publication shall serve as a valuable companion in the exploration of the NCLT and NCLAT, enriching the understanding of Tribunal's role, procedures, and powers and as one stop solution for the hassles in NCLT practice for our practicing professionals.

Year of Publication: 2024

Price: Rs 500/-

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❖ *Market Watch*

Stock Market Indices as on 09.09.2025	
S & P BSE Sensex	81101.32 (+0.39 %)
Nifty 50	24868.60 (+0.39%)

Foreign Exchange Rates as on 09.09.2025
(https://m.rbi.org.in//scripts/ReferenceRateArchive.aspx)

INR / 1 USD	INR / 1 EUR	INR / 1 GBP	INR/ 1 JPY
88.14	103.76	119.64	.59

Prepared by Directorate of Academics

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