



Tuesday, May 13, 2025

Info Capsule

President

CS Dhananjay Shukla

Vice President

CS Pawan G Chandak

❖ Ministry of Corporate Affairs

Investor Education and Protection Fund Authority (IEPFA) and SEBI Convene Strategic Preparatory Meeting for "Niveshak Shivir" Initiative (May 10, 2025)

In a continued effort to enhance investor outreach and streamline the process of reclaiming unclaimed dividends and shares, the Investor Education and Protection Fund Authority (IEPFA), under the Ministry of Corporate Affairs, Government of India, organised a preparatory meeting in collaboration with the Securities and Exchange Board of India (SEBI) at the SEBI Office, Bandra-Kurla Complex (BKC), Mumbai on Friday i.e. May 9, 2025. This strategic meeting marks a crucial milestone in the rollout of "Niveshak Shivir" – a nationwide investor assistance initiative aimed at enabling investors to reclaim unclaimed dividends and shares with greater ease, improving financial literacy and reducing reliance on intermediaries. -

For details:

<https://www.pib.gov.in/PressReleasePage.aspx?PRID=2128092>

❖ Views/Public Comments sought by Regulators

- **Consultation paper on providing flexibility to AIFs to offer Co-Investment opportunities to investors within the AIF structure under SEBI (Alternative Investment Funds) Regulations, 2012 (May 09, 2025)**

SEBI has uploaded a consultation paper on its website seeking comments/views/ suggestions from the public on proposal to provide flexibility to provide units of liquid mutual funds along with the fixed deposit by Investment Advisers (IAs) and Research Analysts (RAs) for compliance with the deposit requirements under SEBI (Investment Advisers) Regulations, 2013 and SEBI (Research Analysts) Regulations, 2014 respectively.

The comments/suggestions along with rationale may be submitted by latest by May 30, 2025 using

<https://www.sebi.gov.in/sebiweb/publiccommentv2/PublicCommentAction.do?doPublicComments=yes>.

For details:

https://www.sebi.gov.in/web/?file=https://www.sebi.gov.in/sebi_data/attachdocs/may-2025/1746800573714.pdf#page=1&zoom=page-width,-15,842

- **Draft Circular for Public Comments - Modification to Chapter VII of the Master Circular for listing obligations and disclosure requirements for Non-Convertible Securities, Securitised Debt Instruments and/ or Commercial Paper (May 09, 2025)**

SEBI has uploaded a draft circular on its website seeking comments/views/ suggestions from the public on Draft Circular for Public Comments - Modification to Chapter VII of the Master Circular for listing obligations and disclosure requirements for Non-Convertible Securities, Securitised Debt Instruments and/ or Commercial Paper.

The comments/suggestions along with rationale may be submitted by latest by May 30, 2025 using.

<https://www.sebi.gov.in/sebiweb/publiccommentv2/PublicCommentAction.do?doPublicComments=yes>.

For details:

https://www.sebi.gov.in/web/?file=https://www.sebi.gov.in/sebi_data/attachdocs/may-2025/1746787559425.PDF#page=1&zoom=page-width,-16,842

• **Consultation Paper on use of liquid mutual funds for compliance with deposit requirement by Investment Advisers and Research Analysts (May 09, 2025)**

SEBI has uploaded a consultation paper on its website seeking comments/views/ suggestions from the public on providing flexibility to AIFs to offer Co-Investment opportunities to investors with in the AIF structure under SEBI (Alternative Investment Funds) Regulations, 2012. The Objective is to enable AIFs to offer co-investment opportunities in unlisted securities through Co-Investment Vehicle ("CIV") as a separate scheme of Alternative Investment Fund ("AIF") launched specifically for making a co-investment under SEBI (Alternative Investment Funds) Regulations, 2012("AIF Regulations") Also, removing the prohibition on Investment Managers of AIFs to provide advisory services in listed securities. The comments/suggestions along with rationale may be submitted by latest by May 29, 2025 using

<https://www.sebi.gov.in/sebiweb/publiccommentv2/PublicCommentAction.do?doPublicComments=yes>.

For details: https://www.sebi.gov.in/reports-and-statistics/reports/may-2025/consultation-paper-on-use-of-liquid-mutual-funds-for-compliance-with-deposit-requirement-by-investment-advisers-and-research-analysts_93881.html

❖ **ESG update**

Metro Pacific Investments Corporation (MPIC)

- MPIC redesigned the company's Sustainability Framework to focus more on businesses contribute directly to solving the country's most significant challenges mapping its contribution towards the Philippine Development Plan and the United Nations Sustainable Development Goals.
- MPIC created a board-level Governance and Sustainability Committee and embedded ESG key performance indicators (KPIs) into the performance review process for all of its staff, boosting ESG accountability in day-to-day performance.
- Chief Finance Officer Team conducts financial risk, demand and supply analysis; operational planning; and management of cost impacts and efficiencies to achieve sustainability targets.
- MPIC's Meralco has upgraded, rehabilitated, and installed power infrastructure at a massive scale, enabling reliable and affordable electricity supply benefitting tens of millions of customers, including tens of thousands with no prior access to power services.
- MPIC's MetPower Venture Partners was established to enter waste management and renewable energy development, two industries directly impacting the country's sustainability credentials and MetPower has two waste-to-energy plants that process pineapple waste into biogas.

For details: <https://hub.climate-governance.org/article/case-study-metro-pacific-investments-corporation-mpic-a-holistic-approach-to-finance-risk-and-sustainability>

❖ **Ministry of Environment, Forest and Climate Change**

India highlights Forest Conservation and Sustainable Forest Management achievements at the 20th Session of the United Nations Forum on Forests (May 09, 2025)

India participated in the 20th session of the United Nations Forum on Forests (UNFF20), held at the United Nations Headquarters in New York from May 5 to 9, 2025 wherein India highlighted its significant progress in forest conservation and sustainable forest management, reaffirming its commitment to achieving the Voluntary National Contributions (VNCs) under the United Nations Strategic Plan for Forests 2017–2030. India reported a consistent increase in forest and tree cover, now encompassing 25.17% of its geographical area as per the latest India State of Forest Report as a result of key national initiatives like the restoration of land under the Aravalli Green Wall, a 7.86% increase in mangrove cover over the past decade, afforestation of over 1.55 lakh hectares under the Green India Mission, and plantation of 1.4 billion seedlings under the Ek Ped Maa Ke Naam (Plant4Mother) campaign. A key moment of India's participation was the invitation to all UN Member States to join the International Big Cat Alliance (IBCA)—a global platform launched by India to support conservation of the seven big cat species through joint research, knowledge exchange, and capacity-building.

For details: <https://www.pib.gov.in/PressReleasePage.aspx?PRID=2127828>

❖ Ministry of Finance

- **Union Minister for Finance and Corporate Affairs Smt. Nirmala Sitharaman chairs meeting to review banking sector's operational and cybersecurity preparedness, including digital applications such as internet banking and UPI (May 09, 2025)**

Union Minister for Finance and Corporate Affairs Smt. Nirmala Sitharaman, on Friday, May 09, 2025 convened a high-level meeting with the Managing Directors and CEOs of Public and Private Sector Banks and insurance companies amidst emerging security concerns arising from tensions at the border. Senior officials from the Department of Financial Services (DFS), Ministry of Finance, CERT-In, RBI, IRDAI and NPCI attended the meeting that focused on reviewing the banking sector's operational and cybersecurity preparedness, including digital applications such as internet banking and UPI. The Managing Directors and CEOs of all the banks and insurance companies apprised the Union Finance Minister about the measures they are undertaking, given the ongoing tensions at the border. Bank MDs & CEOs informed that cybersecurity measures have been reinforced throughout the banking system. Anti-DDoS (Distributed Denial-of-Service) systems have been implemented by banks to protect against massive cyber-attacks. To guarantee institutional readiness, mock drills have been held encompassing cybersecurity and disaster recovery scenarios at the highest levels. They apprised that phishing attempts are being actively watched, and staff members have received several internal alerts to increase awareness.

For details: <https://www.pib.gov.in/PressReleasePage.aspx?PRID=2127960>

- **India gets upgraded to 'BBB' with a 'Stable' trend in rating by Morningstar DBRS, a global sovereign credit rating agency (May 09, 2025)**

The global sovereign credit rating agency, Morningstar DBRS, upgraded India's Long-Term Foreign and Local Currency – Issuer Ratings from BBB (low) to BBB with a Stable trend. India's Short-Term Foreign and Local Currency Issuer Ratings were also upgraded to R-2 (high) from R-2 (middle) with a Stable trend. Key drivers for the upgrade include India's structural reforms through infrastructure investments, digitalisation etc., all of which facilitated fiscal consolidation (declining debt and deficit) and sustained high growth (clocking an average GDP growth of 8.2% during FY22-25) with macroeconomic stability (stabilised inflation, range bound exchange rate and sound external balance). A resilient banking system featuring well-capitalised banks with a high capital adequacy ratio and a 13-year low non-performing loans was another significant driver for the upgrade.

For details: <https://www.pib.gov.in/PressReleasePage.aspx?PRID=2127922>

❖ Business and Economy

CBDT calls for more disclosure on foreign donations (May 12, 2025)

Political parties, charitable trusts, universities and research bodies now require to disclose more information on income from foreign contributions, voluntary donations, accumulated income, and application of funds. The Central Board of Direct Taxes (CBDT) notified a revised Income-tax Return Form ITR-7, Monday (12.05.2025), effective April 1, 2025, for assessment year 2025-26. The ITR 7 is filled by political parties, charitable trusts and educational, research institutions. The updated form also introduced compliance checks for specified violations that could lead to denial of exemption. The changes aim to improve transparency, given the abuse of tax exemption in the past by some political parties and charitable institutions.

For details: <https://economictimes.indiatimes.com/news/economy/policy/cbd-t-calls-for-more-disclosure-on-foreign-donations/articleshow/121118611.cms>

❖ **Pronouncement**

May 9, 2025	Bhadresh Labhshankar Joshi v. DCIT, CC-4(1), Mumbai,	ITAT Mumbai
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Year of Taxability of Capital Gains u/s 50C - Date of Execution vs. Date of Registration of Sale Deed

Fact of the Case: The assessee, Shri Bhadresh Labhshankar Joshi, filed a return of income on 30.07.2012 declaring income of ₹8,08,830, which was processed under Section 143(1). Subsequently, reassessment proceedings under Section 147 were initiated based on information that the assessee had sold three immovable properties for ₹83,81,125, whereas the stamp duty valuation (SDV) was ₹2,23,20,000, leading to a differential of ₹1,39,38,875. The AO added this difference under Section 50C.

The execution of the sale deed and handover of possession occurred on 30.12.2010, and stamp duty was paid on the same date. However, the registration of the deeds took place on 27.04.2011. The AO taxed the capital gains in Assessment Year (AY) 2012–13, based on the registration date. The assessee argued that the transfer of the property was effected upon execution and possession, i.e., on 30.12.2010, and not upon registration, and hence the capital gain should be taxed in AY 2011–12.

As per the provision of Section 2(47) of the Income Tax Act, 1961 – Definition of "Transfer" the term "transfer" includes sale, exchange or relinquishment of an asset, parting with possession in part-performance of a contract (Section 53A of the Transfer of Property Act, 1882). Thus, the date of transfer for tax purposes may not necessarily coincide with the date of registration if possession and consideration are completed earlier.

Section 47 of the Registration Act, 1908 lays down "A registered document shall operate from the time from which it would have commenced to operate if no registration thereof had been required or made, and not from the time of its registration." This implies that the effective date of a registered deed is the date of execution, not the date of registration. This is a critical link in determining when the transfer occurs.

Accordingly, the transfer was complete in FY 2010–11, corresponding to AY 2011–12. Section 50C addition must be made, if at all, in AY 2011–12 and not AY 2012–13.

ITAT Decision: The ITAT Mumbai's ruling in Bhadresh Labhshankar Joshi affirms that for the purposes of capital gains taxation under Section 50C, the date of execution of the sale deed, if accompanied by payment and transfer of possession, is the correct date for determining the year of transfer, irrespective of the date of registration. The Tribunal categorically rejected the AO's contention that registration date governs the year of taxability. It held that the AO misapplied the law by ignoring the true legal character of the sale transaction as completed upon execution and possession.

ICSI**(Management and Development of Company Secretaries in Practice) Guidelines, 2023****ICSI
(Management and Development of Company Secretaries in Practice) Guidelines, 2023****About the Book**

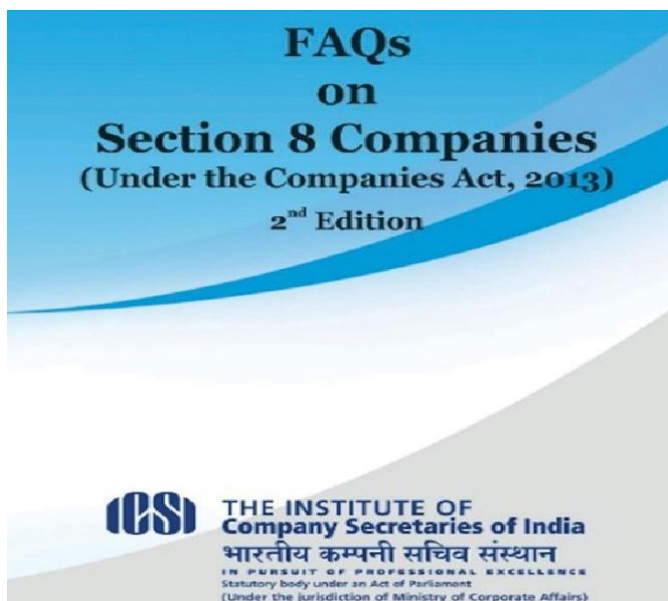
These Guidelines aim to facilitate the Company Secretary in Practice by consolidating all relevant Guidelines as applicable to Company Secretary in Practice along with the processes involved therein in a coherent manner that ensures ease of reference and enhanced comprehension; right from applying for the PCS Orientation Programme and enrolling as Company Secretary in Practice to running successful Practice.

Year of Publication: 2023

Price: Rs. 200/-

Weblink for Purchase:

<https://smash.icsi.edu/Scripts/ECart/Default/ItemWise/ECartSearchOnlineBooks.aspx?ItemId=307>

**FAQS ON SECTION 8 COMPANIES****FAQs
on
Section 8 Companies
(Under the Companies Act, 2013)
2nd Edition****About the Book**

Publication titled “Frequently Asked Questions on Section 8 Companies” is prepared to clarify certain questions with respect to the Compliance aspects of section 8 Companies.

Year of Publication: 2023

Price: Rs. 225/-

Weblink for Purchase:

<https://smash.icsi.edu/Scripts/ECart/Default/ItemWise/ECartSearchOnlineBooks.aspx?ItemId=287>

**❖ Market Watch****Stock Market Indices as on
13.05.2025**

S & P BSE Sensex	81148.22(-1.55%)
Nifty 50	24578.35(-1.39%)

Foreign Exchange Rates as on 13.05.2025

(<https://m.rbi.org.in/scripts/ReferenceRateArchive.aspx>)

INR / 1 USD	INR / 1 EUR	INR / 1 GBP	INR/ 1 JPY
84.88	94.29	112.02	.57

Prepared by Directorate of Academics

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

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