

Vision

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

Motto

सत्यं वद। धर्मं चर। इष्टकारं कुरु। तृणोपैः, पुणश्चापि लक्ष्मोः। इष्टोपकारकश्च

Mission

"To develop high calibre professionals facilitating good corporate governance"

Monday, May 18, 2026

Info Capsule

President

CS Pawan G Chandak

Vice President

CS Dwarakanath C

❖ Ministry of Statistics and Programme Implementation

MoSPI invites feedback and suggestions on Base Paper on Framework for Knowledge and Knowledge Products to Indian Economy (May 16, 2026)

The Ministry of Statistics and Programme Implementation (MoSPI) is inviting feedback and suggestions on the Base Paper on Framework for Measuring the Contribution of Knowledge and Knowledge Products to the Indian Economy. The Ministry said comments and suggestions on the Base Paper are invited from all stakeholders and the general public as part of the consultation process. Feedback may be shared with this Ministry on the email IDs: maneesh.jindal@mospi.gov.in and neeraj.kumar007[at]nic[dot]in by 15 June 2026, which will enable the early finalization of the framework. This exercise represents a novel initiative in this direction and necessitates association of experts and other stakeholders.

For details:

<https://www.pib.gov.in/PressReleasePage.aspx?PRID=2261671®=3&lang=1>

❖ Capital Market and Securities Laws

• Master Circular on Surveillance of Securities Market (May 15, 2026)

In order to enable the market stakeholders to have access to all applicable circulars pertaining to surveillance of securities market at one place, the Master Circular dated September 23, 2024, on the subject, is being further updated to incorporate the provisions of the following circulars:

- "Framework of "Financial Disincentives for Surveillance Related Lapses" at Market Infrastructure Institutions" dated June 06, 2024 with reference number SEBI/HO/ISD/ISDPoD-1/P/CIR/2024/73
- "Allowing subscription to the issue of Non-Convertible Securities during trading window closure period" dated December 30, 2024 with reference number SEBI/HO/ISD/ISD-PoD-2/P/CIR/2024/180
- "Trading Window closure period under Clause 4 of Schedule B read with Regulation 9 of Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 – Extension of automated implementation of trading window closure to Immediate Relatives of Designated Persons, on account of declaration of financial results" dated April 21, 2025 with reference number SEBI/HO/ISD/ISD-PoD2/P/CIR/2025/55.

With the issuance of this Master Circular, all directions or instructions contained in the Circulars listed out in the Appendix to this Master Circular shall stand rescinded to the extent they relate to Surveillance of Securities Market.

For details:

https://www.sebi.gov.in/legal/master-circulars/may-2026/master-circular-on-surveillance-of-securities-market_101473.html

• Removal of difficulties for on-boarding for FPIs - PAN allotment related issues (May 15, 2026)

The Central Board of Direct Taxes (CBDT) has notified the Income-tax Rules, 2026 and the relevant Forms thereunder including new forms for making application for PAN on March 20, 2026. In the new PAN Form(s) notified by CBDT few fields were added [like Taxpayer Identification Number; details & documents of Representative Assessee (RA)/ Authorized Representative (AR)] and others which were optional were made mandatory (like mobile number). In view of several difficulties expressed by concerned stakeholders in furnishing such information by FPIs, SEBI actively engaged with CBDT to facilitate continued ease of allotment of PAN to FPIs. Pursuant to discussions, CBDT has issued clarifications to SEBI with respect of issuance of PAN to FPIs. The measures resonate with the continuous efforts towards providing ease of on boarding to FPIs.

For details:

https://www.sebi.gov.in/media-and-notifications/press-releases/may-2026/removal-of-difficulties-for-on-boarding-for-fpis-pan-allotment-related-issues_101471.html

❖ *Corporate Finance*

• **Permitted use of fresh borrowings for InvITs where Net Borrowings exceeds forty-nine percent of the value of InvIT assets (May 15, 2026)**

Regulation 20(3) (b) (ii) of SEBI (Infrastructure Investment Trusts) Regulations, 2014 was amended on April 17, 2026 to expand the permissible use of borrowings above 49% in the manner as specified by the SEBI. Vide this circular, SEBI specified the revised framework which states that such borrowings can now be used for capital expenditure aimed at enhancing asset performance or augmenting capacity. The SEBI has also permitted the use of borrowings for major maintenance expenses relating to road projects. The refinancing of debt by the InvIT, SPV, or Holdco, subject to conditions, is also permitted. The original debt being refinanced must have been utilised for purposes permitted under Regulation 20(3) (b) (ii) of the SEBI InvIT Regulations. It is also clarified that only the principal portion of the debt can be refinanced, while accumulated interest, charges, or fees cannot be refinanced.

For details:

https://www.sebi.gov.in/legal/circulars/may-2026/permitted-use-of-fresh-borrowings-for-invits-where-net-borrowings-exceeds-forty-nine-percent-of-the-value-of-inv-it-assets_101465.html

• **Status of SPVs post conclusion or termination of Concession Agreement (May 15, 2026)**

Regulation 2(1)(zy)(ii) of SEBI (Infrastructure Investment Trusts) Regulations, was amended on April 17, 2026 to include the proviso which states that an SPV holding an infrastructure project will continue to remain classified as an SPV even after the conclusion or termination of the concession agreement or a similar agreement, subject to specified conditions.

Under the framework, the investment manager will be required to either exit the SPV through sale, liquidation, winding-up, or merger, or acquire a new infrastructure project in the SPV within one year. The one-year timeline will be counted from the completion or termination of the concession agreement, the conclusion of pending claims, litigations, or tax assessments and related appeals, or the completion of the defect liability period. SEBI also clarified that the time taken to obtain statutory or regulatory approvals for the sale, liquidation, winding-up, or merger of the SPV will be excluded from the one-year timeline. Additionally, the SEBI has prescribed detailed disclosure requirements for InvITs that continue to hold such SPVs, at the InvIT level and at the SPV level.

For details:

https://www.sebi.gov.in/legal/circulars/may-2026/status-of-spv-s-post-conclusion-or-termination-of-concession-agreement_101467.html

❖ *ESG Update*

Larsen & Toubro Limited

Company is deploying GenAI across the entire project life-cycle – from tendering to contract management, designing, execution and operations and maintenance. The use of technology also continues to shape a growth path that is aligned with the Company's sustainability goals.

- Inauguration of the 112.5 MW Goaltore solar power plant in West Bengal, making it one of the largest renewable power projects in eastern India.
- L&T Energy GreenTech signed a binding Joint Development Agreement with Japan's ITOCHU Corporation to develop and commercialise a 300 KTPA green ammonia project at Kandla, Gujarat, and followed it up by signing a long-term partnership agreement.
- To enhance biodiversity, Company has planted more than 1 million saplings during the year.
- Green Business accounts for 51% of Company's standalone revenues

For details:

https://nsearchives.nseindia.com/corporate/PAM_14052026190101_LTIntegratedReportFY26.pdf

❖ **Pronouncement**

May 08, 2026	Manjula and Others {Appellant(s)} Versus D.A. Srinivas {Respondent(s)}	Supreme Court of India Civil Appeal No. 7370 OF 2026 [Arising out of SLP (C) NO. 7924 of 2024] 2026 INSC 465
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Issue for Consideration

Whether the provisions of Prohibition of Benami Transaction Amendment Act 2016 operate prospectively or retrospectively?

Judgement

Whether the amended provisions operate prospectively or retrospectively. In this regard, Hon'ble Apex Court inter alia observed that it is necessary to recall the object and reasons underlying the amendment, which can be gathered from the statements made when the amendments were proposed in Parliament. The amendments as is evident, were introduced to cure the mischiefs and omissions in the original enactment, which had failed to curb benami transactions in the manner expected, and effective steps could not be taken for want of adequate procedural provisions.

Supreme Court noted that certain provisions under the unamended Act were omitted and substituted by new provisions, while several fresh provisions were inserted prescribing the procedure to be followed before confiscation of property and establishing mechanisms of appeal against orders declaring property as benami. At the same time, the foundational provisions prohibiting benami transactions, rendering them offences, extinguishing the right to enforce or defend claims based on benami arrangements, enabling confiscation of benami property, and prohibiting re-transfer, continued substantially in force.

Ordinarily, every statute is presumed to be prospective unless the statute itself expressly or by necessary implication provides otherwise. Equally, it is well settled that the mere fact that a law is brought into force from a particular date does not necessarily mean that it operates only prospectively. To determine the true temporal operation of a statute, the object of the enactment must be considered. If the purpose of the amendment is to cure a defect, remove an omission, substitute appropriate provisions earlier lacking, effectively implement the original legislative intent, or if the amendment is clarificatory, declaratory or validating in nature, it may legitimately receive retrospective operation.

It is also apposite to observe that protection against retrospectivity generally extends only to vested or accrued rights. The Act of 1988 had already prohibited benami transactions. Even prior thereto, provisions under the Indian Trusts Act, the Code of Civil Procedure and the Income-tax Act imposed restrictions on such arrangements. Further, after the Forty-Fourth Constitutional Amendment, the right to property ceased to be a fundamental right and remained only a constitutional right. A person, therefore, cannot claim a vested right to enter into transactions designed to defeat or circumvent the law. It is a settled principle that what cannot be done directly cannot be permitted to be done indirectly. In this context, Supreme Court referred to the settled principles laid down in *Bengal Immunity Company Limited v. State of Bihar and others* (1955) 1 SCC 763 wherein the rule in *Heydon case MANU/ENRP/0018/1584: (1584) 3 Co Rep 7a: 76 ER 637* was approved, namely, that the Court must adopt such construction as suppresses the mischief and advances the remedy. Court also referred to the cases of *Shyam Sunder and others v. Ram Kumar and another* (2001) 8 SCC 24 *Zile Singh v. State of Haryana and others* (2004) 8 SCC 1, etc.

Further, when a lis comes before a Court disclosing a benami transaction, the Court is duty-bound to consider the applicability of the Act and enforce the statutory prohibition. The amended provisions merely introduced a complete machinery for attachment, adjudication and appeals. Though attachment and adjudication were elaborately structured for the first time, these provisions are essentially procedural and regulatory, intended to ensure fairness and avoid arbitrary action before confiscation. Unless the amendment is given retroactive operation, the very object of making the legislation workable would be defeated the Court opined.

The appellate remedies introduced are beneficial safeguards providing checks against arbitrary exercise of power, and beneficial procedural provisions ordinarily operate retrospectively. So far as penal consequences are concerned, enhanced punishment cannot be retrospectively imposed; however, the machinery provisions enabling adjudication, confiscation and enforcement, being curative and procedural, can apply retrospectively.

Accordingly, Supreme Court held that the 2016 amendments, insofar as they are declaratory, procedural, curative and machinery-oriented, operate retrospectively / retroactively, while penal provisions creating new offences or enhancing punishment can operate only prospectively.

For details:

https://api.sci.gov.in/supremecourt/2024/13889/13889_2024_7_1501_71025_Judgement_08-May-2026.pdf

❖ Ministry of Law and Justice

The Supreme Court (Number of Judges) Amendment Ordinance, 2026 (May 16, 2026)

Hon'ble President of India has promulgated an ordinance under Article 123 of the Constitution of India to increase the strength of the Supreme Court Judges from the 34 to 38, including the Chief Justice of India.

Earlier, the Union Cabinet had cleared a draft bill for this purpose on May 5, 2026.

The strength of the Supreme Court was last increased from 30 to 33 (excluding the CJI) in 2019.

For details:

[https://egazette.gov.in/\(S\(yeqd3pea5teu4sl1vfxsbc5t\)\)/default.aspx](https://egazette.gov.in/(S(yeqd3pea5teu4sl1vfxsbc5t))/default.aspx)



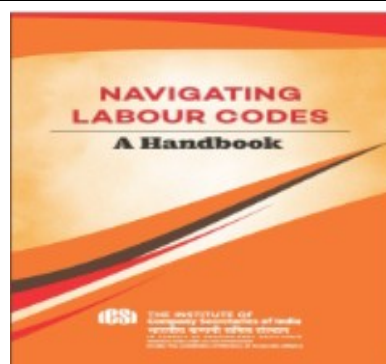
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[NAVIGATING LABOUR CODES](#)

Year of Publication: 2025

Price: Rs. 300/-

Weblink for Purchase:

<https://smash.icsi.edu/Scripts/ECart/Default/ItemWiseECartSearchOnlineBooks.aspx?ItemId=394>

❖ Market Watch

Stock Market Indices as on 18.05.2026

S & P BSE Sensex	75,315.04 (+0.10%)
Nifty 50	23,649.95 (+0.03%)

Foreign Exchange Rates as on 18.05.2026

<https://www.rbi.org.in/scripts/referenceratearchive.aspx>

INR / 1 USD	INR / 1 EUR	INR / 1 GBP	INR / 1 JPY
96.29	112.04	128.54	.60

Prepared by Directorate of Academics & Research

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

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