



Vision

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

Motto

सत्यं वद। धर्मं चर। इष्टार्थे तेन त्वागतेः कर्तव्यं तेन तेन ब्रह्म

Mission

"To develop high calibre professionals facilitating good corporate governance"

Tuesday, May 27, 2025

Info Capsule

President

CS Dhananjay Shukla

Vice President

CS Pawan G Chandak

❖ Ministry of Panchayati Raj

Panchayat Advancement Index (PAI) 2.0 Portal Launched; Set to Power Grassroot Governance with Data Backed Evidence Based Planning (May 26, 2025)

The two-day National Writeshop on Panchayat Advancement Index (PAI) Version 2.0 for FY 2023-24 commenced today at Dr. Ambedkar International Centre, New Delhi. PAI is a multidimensional assessment framework developed by the Ministry of Panchayati Raj to enable performance tracking of over 2.5 lakh Gram Panchayats across nine themes aligned with the Localization of Sustainable Development Goals (LSDGs). While PAI Version 1.0 served as the baseline and covered data from 2.16 lakh Gram Panchayats across 29 States/UTs, PAI Version 2.0 represents a major leap forward in functionality, efficiency, and usability. The transition from PAI 1.0 to 2.0 reflects a focused refinement of the framework, with a sharper and more practical set of indicators and data points to improve usability and reliability while retaining thematic comprehensiveness.

For details:

<https://www.pib.gov.in/PressReleasePage.aspx?PRID=2131357>

❖ ESG Update

Brickworks Limited - Climate-related Strategy

As companies continue to embrace the global push towards decarbonisation, Brickworks has already dramatically reduced its carbon footprint and is now looking at the feasibility of co-locating bioenergy production on its manufacturing sites. At Brickworks, the challenge is to reduce the energy intensity in the manufacturing process. To achieve this, company opt for the utilization of the use of biofuels as a key enabler. Brickworks also acknowledge a role for carbon neutral offsets, to complement its efforts to drive down emissions.

For details: https://investors.brickworks.com.au/wp-content/uploads/2024/10/BKW_SR2024_WEB.pdf

❖ Capital Market and Securities Laws

• SEBI Circular (May 26, 2025)

SEBI, vide this circular has prescribed the norms for the appointment, re-appointment, termination or acceptance of resignation of specific Key Management Personnel (KMPs) of a Market Infrastructure Institution (MII), Cooling-off period for KMPs of an MII joining a competing MII and provision relating to re-appointment of Public Interest Directors (PIDs). The provisions of the circular shall be applicable from the 90th day of issuance of the circular.

It is prescribed that the MII shall engage an independent external agency to identify and recommend suitable candidates for appointment as e Compliance Officer (CO), Chief Risk Officer (CRiO), Chief Technology Officer (CTO) and Chief Information Security Officer (CISO) or by whatever designations called. The Agency shall submit its recommendations to the Nomination and Remuneration Committee (NRC) of the MII.

Further, provided that the Governing Board of an MII shall prescribe the mechanism for a cooling-off period for KMPs (including the MD) of the MII joining a competing MII as a KMP. Based on approval of the Board, it has been prescribed that in case the existing PID after completion of his first term is not considered for re-appointment by the Governing Board of the MII, the rationale for the same shall be recorded and informed to SEBI.

For details:

https://www.sebi.gov.in/legal/circulars/may-2025/process-for-appointment-re-appointment-termination-or-acceptance-of-resignation-of-specific-kmps-of-an-mii-and-cooling-off-period-for-kmps-of-an-mii-joining-a-competing-mii-and-provisions-relating-t_94188.html

• Final Settlement Day (Expiry Day) for Equity Derivatives Contracts (May 26, 2025)

To protect the interests of investors in securities and to promote the development of, and to regulate the securities market, following has been prescribed by SEBI with regard to final settlement day / expiry day for equity derivatives contracts:

- i. Expiries of all equity derivatives contracts of an exchange will be uniformly limited to either Tuesday or Thursday.
- ii. Every exchange will continue to be allowed one weekly benchmark index options contract on their chosen day (Tuesday or Thursday).
- iii. Besides benchmark index options contracts, all other equity derivatives contracts, viz., all benchmark index futures contracts, non-benchmark index futures / options contracts, and all single stock futures / options contracts will be offered with a minimum tenor of 1 month, and the expiry will be in the last week of every month on their chosen day (that is last Tuesday or last Thursday of the month).
- iv. Exchanges will now seek prior approval of SEBI for modifying the settlement day of their derivatives contracts from the one which has been existing.

For details:

https://www.sebi.gov.in/legal/circulars/may-2025/final-settlement-day-expiry-day-for-equity-derivatives-contracts_94189.html

❖ Pronouncement

15.05.2025	Muthuswamy Muruganandham v. ITO, Ward-1, Tiruvallur	ITAT Chennai
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Penalty 270 A - Immunity - 270 AA - Late filing of Form no 68 decisions

Fact of the Case: The assessee received ₹53,05,934 from his employer on early termination of service, claimed as ex-gratia and capital in nature (not taxable). AO disallowed the claim, treated the sum as “profit in lieu of salary” under Section 17(3), passed an order u/s 143(3) dated 05.09.2022, and raised a demand of ₹21,11,380. Assessee did not file appeal against the assessment and paid full tax within 30 days. Later, AO initiated and imposed penalty of ₹9,07,270 u/s 270A for “under-reporting” of income. CIT(A) confirmed the penalty. Assessee filed Form 68 belatedly under Section 270AA, praying for immunity from penalty.

ITAT Chennai: The assessee fulfilled all substantive conditions under Section 270AA(1):

- (a) Paid tax and interest within the time permitted, and
- (b) Did not file an appeal against the assessment order.

Although Form 68 was not filed within the prescribed time under Section 270AA(2), the penalty was imposed only for “under-reporting”, not for “misreporting” thus qualifying for immunity u/s 270AA(3). ITAT held that substance must prevail over form. Once the AO did not allege misreporting, the bar under Section 270AA(3) did not apply. Accordingly, ITAT set aside the penalty levied under Section 270A and allowed the appeal.

ABOUT THE BOOK**“Adjudication and Compounding Under Corporate Laws”**

The publication comprises of procedures and processes under Companies Act, Securities Laws, FEMA, Consumer Protection Act and Competition Act. It covers the process of adjudication pertaining to legal compliances made on a regular basis.

Year of Publication: 2024

Price: Rs 500/-



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ABOUT THE BOOK**“Decriminalisation of Offences – Emerging Trends in Adjudication (Opportunities for Professionals)”**

The publication covers the analysis of amendments under various laws i.e Companies Act, 2013, Limited Liability Partnership Act, 2008, Labour Codes, Jan Vishwas (Amendment of Provisions) Act, 2023 covering 42 legislations including Information Technology Act, 2000, Copyright Act, 1957, Trade Marks Act, 1999, Prevention of Money-laundering Act, 2002, and Boilers Act, 1923, adjudication opportunities for professionals due to decriminalisation.

Year of Publication: 2024

Price: Rs 450/-



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ADJUDICATION AND COMPOUNDING UNDER CORPORATE LAWS

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DECRIMINALISATION OF OFFENCES

Emerging Trends in Adjudication

Opportunities for Professionals

❖ Market Watch

Stock Market Indices as on 27.05.2025

S & P BSE Sensex	81539.87 (-636.58)
Nifty 50	24825.60 (-175.55)

Foreign Exchange Rates as on 27.05.2025

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

INR / 1 USD	INR / 1 EUR	INR / 1 GBP	INR / 1 JPY
85.32	97.13	115.74	.59

Prepared by Directorate of Academics

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

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