



**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)

**WESTERN
INDIA
REGIONAL
COUNCIL**

e-Focus

ICSI - WIRC e-Newsletter | June, 2025



Highlights of this edition:

ESG & Social Impact

Empowering Governance
through ESG & Social Audits

PCS in GIFT IFSC

Unlocking Global Avenues for
Practising Company Secretaries

Evolving Role of Company Secretaries

From Compliance to Strategic
Leadership in Governance

Disclaimer:

You are receiving this e-Newsletter as a member of ICSI. The views expressed here are those of the authors and do not necessarily reflect those of ICSI or WIRC. Neither ICSI, WIRC, nor the authors, editors, publishers, or printers verify the authenticity of the legal provisions mentioned. No liability will be assumed for errors or omissions in this newsletter.

WIRC of ICSI Premises: 13, 56 & 57, Jolly Maker Chambers No. 2 (1st & 5th Floors), Nariman Point, Mumbai – 400021.

E-mail: wiro@icsi.edu

Phone No.: 022-61307900/ 61307901/ 61307902

EDITORIAL BOARD:

Chairman - CS Hrishikesh Wagh

CS Rohit Gokhale

CS Anagha Ketkar

CS Deepika Kataria

CS Shanttanno Jagtap

Rohit Katu

INDEX:

Sr No.	Contents	Page No.
1.	President's Message	3
2.	Vice President's Message	4
3.	Message from Chairman – Practicing Company Secretaries Committee of ICSI	5
4.	Chairman's Communique	6
5.	Celebrating the Spirit of PCS Day	7
6.	Company Secretary – the changing role and status recent judicial & regulatory developments	8
7.	Partnering of PCS with corporates – beyond certifications and outsourcing!	17
8.	ESG & Social Governance – PCS perspective	21
9.	Deal structuring – practical considerations	32
10.	Insurance marketing firm and its compliances	35
11.	Opportunities in GIFT City & IFSC for Practicing Company Secretaries	41
12.	Partnering of PCS with corporates – beyond certifications and outsourcing!	45
11.	ICSI–WIRC program activities for the month of May 2025	49
12.	ICSI–WIRC study circle meeting activities for the month of May 2025	51
13.	ICSI–WIRC student training programmes for the month of May 2025	53
14.	ICSI–WIRC program activities for the month of June 2025	54
15.	ICSI–WIRC study circle meeting activities for the month of June 2025	55

PRESIDENT'S MESSAGE



CS DHANANJAY SHUKLA
PRESIDENT,
ICSI

“Coming together is a beginning; keeping together is progress; working together is success.” - Henry Ford

As we approach the PCS Month celebrations in 2025, it is with great pleasure that I contribute to this special edition of FOCUS. This magazine serves as a vital platform for sharing knowledge, celebrating professional achievements, and fostering a sense of community within the Western India Regional Council of ICSI. I am particularly honored to address the Practising Company Secretaries (PCSs), especially those who are embarking on their professional journey.

The role of a Company Secretary has evolved significantly in recent years, demanding a multifaceted skillset and a commitment to upholding the highest standards of corporate governance. In today's dynamic business environment, PCSs are not merely compliance officers; they are strategic advisors, trusted counselors, and key contributors to organizational success. Your expertise in legal and regulatory frameworks, corporate law, and governance practices is essential for guiding companies through an increasingly complex landscape.

For those of you who are relatively new to the profession, the path ahead may seem daunting at times. The responsibilities are significant, and the learning curve can be steep. However, I encourage you to embrace the challenges and view them as opportunities for growth. Seek mentorship from experienced professionals, actively participate in continuing professional development programs, and remain committed to staying abreast of the latest developments in the field.

Remember that integrity, ethical conduct, and a dedication to excellence are the cornerstones of our profession. As you navigate your careers, always prioritize these values and strive to be a positive influence within your organizations and the wider business community. The trust placed in Company Secretaries is a privilege that must be earned and maintained through unwavering adherence to ethical principles.

In closing, I extend my best wishes to all Practising Company Secretaries. May your careers be filled with success, fulfillment, and the satisfaction of knowing that you are making a meaningful contribution to the corporate world. Embrace the opportunities that lie ahead, remain steadfast in your commitment to excellence, and continue to inspire those who will follow in your footsteps.

Happy PCS Month!

CS Dhananjay Shukla
President, ICSI

VICE PRESIDENT'S MESSAGE



CS PAWAN G CHANDAK
VICE PRESIDENT,
ICSI

“Do not follow where the path may lead. Go instead where there is no path and leave a trail”
Ralph Waldo Emerson

As the Western India Regional Council of ICSI commemorates PCS Month in 2025, I am deeply honored to contribute a message to the special edition of FOCUS. This publication serves as a vital platform for disseminating professional developments, showcasing exemplary practices, and fostering a sense of community amongst Practising Company Secretaries.

To the esteemed members of the ICSI, particularly those embarking on their professional journey, I offer my sincere encouragement. The role of a Company Secretary is increasingly critical in today's complex corporate landscape. Your expertise in governance, compliance, and ethical conduct is essential for fostering trust and ensuring sustainable growth.

Embrace the challenges that lie ahead as opportunities for professional development. Cultivate a commitment to continuous learning, staying abreast of evolving regulations and best practices. Seek mentorship from experienced professionals and actively participate in industry forums to expand your knowledge and network.

Remember that integrity and ethical decision-making are the cornerstones of our profession. Uphold the highest standards of conduct in all your endeavors, and serve as a beacon of ethical leadership within your organizations. Your dedication to excellence will not only enhance your own career prospects but also contribute to the advancement of the profession as a whole.

I commend the Western India Regional Council for their dedication to promoting excellence in practice and fostering a supportive environment for Practising Company Secretaries. May this special edition of FOCUS serve as a source of inspiration and motivation for all members as we collectively strive to elevate the standards of corporate governance in India.

CS PAWAN G CHANDAK
Vice President, ICSI



CS PRAVEEN SONI
CHAIRMAN – PRACTICING COMPANY
SECRETARIES COMMITTEE OF ICSI

Dear Professional Colleagues,

Warm greetings to all esteemed members of the Western India Regional Council of the ICSI.

As we come together to celebrate PCS Day, I extend my heartfelt wishes and congratulations to each Practicing Company Secretary for their relentless dedication and invaluable contribution to the profession and the nation's corporate governance ecosystem.

PCS Day is not merely a day of celebration but an occasion to reflect on our journey as torchbearers of compliance, governance, and ethical standards. It reminds us of our unique responsibility to uphold the trust reposed in us by stakeholders and society at large. Over the years, Practicing Company Secretaries have continuously evolved to meet the changing regulatory landscape, providing robust professional support to businesses and playing a crucial role in strengthening India's corporate governance framework.

Recently on 14th June 2025, ICSI organized and celebrated 26th National Conference of Practicing Company Secretaries on the Theme: Dynamic Regulatory Landscape: CS@Excelling Strategies at Taj Vivanta, Guwahati, wherein Shri Lakshman Prasad Acharya, Hon'ble Governor of Assam, along with few members of parliament and other dignitaries addressed the participants. Being Chairman for the National PCS Committee of the ICSI, it was a blessed moment for me to have participation of more than 350 professionals at the conference.

I was also blessed to participate in the PCS day celebration by the WIRC of ICSI under the able leadership of WIRC Chairman Shri Hrishikesh Wagh on 16th June 2025 at Mumbai.

This year, I urge my fellow professionals to reaffirm our commitment to excellence, integrity, and innovation. Let us embrace emerging areas of practice, leverage technology, and proactively contribute to shaping sound governance practices across industries. As a Chairman of PCS Committee, I rest assure each one of you, that we will not remain any stone unturned and shall make all efforts for uplift of this profession and shall take the ICSI at newer heights.

I congratulate WIRC of ICSI for organizing special programs and initiatives to mark this occasion, bringing together practitioners to share knowledge, experiences and vision for the future. Such initiatives foster a sense of unity and inspire us to strive for higher standards of professional conduct.

May we continue to lead with knowledge, empower with expertise, and inspire with our unwavering dedication to good governance. Wishing you all a very Happy PCS Day!

CHAIRMAN'S COMMUNIQUE



CS HRISHIKESH WAGH
CHAIRMAN
WIRC OF ICSI

Dear Esteemed Members and Colleagues,

“उत्तिष्ठत जाग्रत प्राप्य वरान्निबोधत”

“Arise, awake, and stop not till the goal is reached.”

Every profession has its defining moments. For the Practising Company Secretaries, 15th June marks not just a date, but a celebration of our identity, role, and relevance in the corporate and governance landscape.

The journey of PCS is one of evolution—from certification and compliance to governance advisory and beyond. It gives me immense pride to share that WIRC celebrated PCS Month 2025 with purposeful energy and enthusiastic participation. What stood out was the Opinion Writing Competition and the Petition Drafting Challenge—both designed to sharpen core competencies that define the strength of our practice.

Through these initiatives, we witnessed the sheer depth of knowledge, drafting precision, and persuasive articulation our members and students possess. These are not just competitions—they are a testimony to the intellectual capital and foresight our profession holds.

To commemorate the spirit of this month, WIRC is delighted to bring out this Special Edition of Focus. This edition is a reflection of thought leadership from practitioners across the region, bringing together insights, experiences, and forward-looking perspectives on the evolving domain of PCS.

The practice side of our profession today is far more than signing forms or issuing certificates. It is about strategic involvement, risk mitigation, advisory mandates, and playing a visible role in shaping responsible business practices. The evolving regulatory expectations demand that we constantly invest in knowledge, adaptability, and trust.

As we celebrate PCS Day, let us reaffirm our commitment to integrity, professional excellence, and service to the nation. Let this edition be a source of inspiration and introspection for every practicing member to explore newer horizons and strengthen the foundation of good governance.

With best wishes for continued success in your practice and professional journey.

Warm regards,
CS Hrishikesh Wagh
Chairman, ICSI-WIRC

CELEBRATING THE SPIRIT OF PCS DAY



CS SAGAR KULKARNI
MEMBER
WIRC OF ICSI

"न हि कश्चित्क्षणमपि जातु तिष्ठत्यकर्मकृत् । कार्यते ह्यवशः कर्म सर्वः प्रकृतिजैर्गुणैः ॥"
– श्रीमद्भगवद्गीता (अध्याय 3, श्लोक 5)

No one can remain without action even for a moment. Everyone is driven to action, helplessly indeed, by the qualities born of nature.

This profound teaching from the Bhagavad Gita reminds us that purposeful action is the essence of human existence. As professionals, we are bound by our nature—and our duty—to act meaningfully and contribute constructively.

15th June is celebrated as PCS Day, a day that marks the historic recognition granted in 1988 to Practising Company Secretaries (PCS) for certifying annual returns under the erstwhile Companies Act, 1956. In 2025, we proudly celebrate 37 years of this milestone—37 years of relentless pursuit of excellence, integrity, and service.

We owe immense gratitude to our visionary leaders—past Central Council and Regional Council members—whose untiring efforts laid the foundation for the vast professional opportunities we enjoy today. Their commitment has enabled the PCS community to expand its presence across diverse domains.

As Governance Professionals, our role today is truly multifaceted. Many members of the fraternity are venturing into new and emerging practice areas, broadening the horizon of the profession. My earnest appeal to all PCS members is to stay united, stay committed, and work together to face upcoming challenges with confidence and resilience.

Let us channel our inner strength, draw inspiration from the divine force, and work with renewed energy to gain further recognition for the profession. Together, let's build a future where PCS is the preferred choice for governance and compliance leadership.

Let our karma be our identity. Let our unity be our strength.

COMPANY SECRETARY-THE CHANGING ROLE AND STATUS RECENT JUDICIAL & REGULATORY DEVELOPMENTS



BY DR K R CHANDRATRE

PRACTISING COMPANY SECRETARY, PUNE;

PAST PRESIDENT, THE INSTITUTE OF COMPANY SECRETARIES OF INDIA

1. HISTORICAL BACKGROUND

In *Lakshmiratan Cotton Mills Co Ltd v Aluminium Corpn of India Ltd* AIR 1971 SC 1482: [1971 1 SCC 671], the Supreme Court of India, in the year 1970, in answering the question, whether a company secretary had an authority to sign a letter acknowledging a company's debt, remarked that,

“Ordinarily the functions of a secretary would be ministerial and administrative and he would have no authority to bind the company by entering into contracts or other commitments on its behalf.”

But in 1971, in England, Lord Denning M R enunciated the changed position of a company secretary in the following words:

“But times have changed. A company secretary is a much more important person nowadays than he was in 1887. He is an officer of the company with extensive duties and responsibilities. This appears not only in the modern Companies Act, but also by the role, which he plays in the day-to-day business of companies. He is no longer a mere clerk. He regularly makes representations on behalf of the company and enters into contracts on its behalf, which come within the day-to-day running of the company's business. So much so that he may be regarded as held out as having authority to do such things on behalf of the company. He is certainly entitled to sign contracts connected with the administrative side of a company's affairs, such as employing staff, and ordering cars, and so forth. All such matters now come within the ostensible authority of a company's secretary. Whatever the position of a company's secretary may have been in 1887, it has altered a great deal from what it was then. At the end of the last century a company secretary still occupied a very humble position, very little higher, if any, than that of a minor clerk. Today, not only has the status of a company secretary been much enhanced, but that state of affairs has been recognised by the statutes” [Panorama Developments (Guildford) Ltd v Fidelis Furnishing Fabrics Ltd [1971] 3 All ER 16 (CA)].

Subsequent to the Panorama judgment the role of a company secretary, and the importance of that role, have been acknowledged by commentators and experts of Company Law in almost the same vein as Lord Denning spoke in the said case. For example, it has been commented:

“Whereas it has formerly been held that he had no authority by virtue of his position to make representations to induce persons to contract with the company, his functions being, his ministerial only, his status has now greatly increased.” [See Halsbury’s Laws of England, 4th edition, volume VII].

In Palmer’s Company Law, 23rd Ed, p 902, it is stated: “The position of secretary in a company has altered out of recognition during the past 75 years. From being a humble clerk, he has become, in most large companies, an officer of the company having important duties and responsibilities and often with considerable influence.”

“The group felt that company secretaries have played a key role in ensuring that the working of companies is in accordance with the legal provisions of the Act and other corporate laws.” [see para 4.19 of the Report].

Both Kumarmangalam Birla Committee and the Study Group constituted by the Government of India in the Department of Company Affairs under the chairmanship of Dr. P. L. Sanjeev Reddy, have conspicuously noted the role of company secretary, and expected them to play a still greater role. Some of the observations of the latter committee are worth reproducing. Excerpts follow.

“... The company secretary, till now charged with the responsibility of ensuring procedural formalities will, in future, have a significantly demanding role to play in ensuring adherence to best governance practices in the board room, committee work, and in day-to-day administration on a transactional basis so that the desired transparency and proprietary interests of the company are at all times safeguarded for the benefit of the shareholders and other stakeholders.” [see para 2.60 of the Report]. (emphasis supplied).

And the Study Group observed:

“... A report from the Practising Company Secretary regarding continuing compliance in each year’s annual report to the shareholders and other statutory or regulatory returns and documents, would go a long way in building shareholder credibility on the professionalism and transparency of the incumbent management.” [see para 2.109 of the Report]. (emphasis supplied).

Suggesting certain key corporate governance initiatives, as measures of legislative and regulatory nature being “Essential Measures”, the Study Group recommended that “The chief executive officer, the chief financial officer and the Company Secretary of all public companies, Listed and Unlisted, should provide a statement in each annual report to the shareholders, confirming compliance with all legal and regulatory requirements, and detailing with reasons and without admission of any default, any situations of non-compliance.” [see para 4.8 (E)(29)].

Likewise, in para 4.8 (E)(30), the Study Group has recommended that a certificate signed by the abovementioned officers of a company be provided in the annual report regarding compliance with “all statutory formalities” and payment by the company of “all statutory dues” and there being no “illegal transactions and payments”.

2. RECENT SAT AND SUPREME COURT DECISIONS REGARDING COMPANY SECRETARY'S LIABILITY AS COMPLIANCE OFFICER UNDER BUYBACK REGULATIONS

2.1 SAT's Original Order in V. Shankar v. SEBI

Regulation 19(3) of the SEBI (Buy-back of Securities) Regulations, 1998 which is in the following terms:

“19(3) The company shall nominate a compliance officer and investors service centre for compliance with the buy-back regulations and to redress the grievances of the investors.”

The specific charge against Company Secretary was that the company understated outstanding loans and interest and finance charges in the annual report for the year 2008-2009, 2009-2010 and 2010-2011 and being a signatory to the public announcement made by the company on May 06, 2011 for buyback of its equity shares without having adequate free reserves have misled investors/ shareholders, and consequently violated Section 68 of the Companies Act 2013 (corresponding to section 77A of the Companies Act 1956).

The SEBI Adjudicating Officer (AO,) after considering the material evidence on record, came to the conclusion that the company/ promoters and directors knowingly and consciously contributed in dissemination of wrong, factually incorrect, understated and distorted information relating to the annual financial statements of the company to the public in their annual reports. The AO further found that the company carried out buyback of its equity shares which were more than 25% of the total paid up capital limit during the financial year 2011-2012 without having adequate free reserves and consequently misled the investors / shareholders about the perceived valuation and strong financials and free reserves of the company and thereby violated Section 77A of the Companies Act. The AO found that the company had artificially inflated profits to the shareholders when there was actually a loss. The AO therefore concluded that the company and its directors and promoters had violated Section 68 and 77A of the Companies Act read with Regulations 3 and 4 of the SEBI (Prohibition of Fraudulent and Unfair Trade Practices Relating to Securities Market) Regulations, 2003 (“PFUTP Regulations”) and Section 12A of the SEBI Act.

With regard to the appellant Company Secretary, the AO found that the appellant was acting as the Company Secretary when the buyback offer was made by the company. The AO further found that the appellant had ascribed his signatures on the public announcement for buyback in his capacity as a Company Secretary. The AO held that the appellant should have exercised utmost due diligence and checked the veracity of the buyback offer document and its legal compliances before authenticating such a document and signing the aforesaid documents which apparently violated the provisions of the Companies Act. The AO held that since the appellant was responsible as the Company Secretary of the company for signing the public announcement made by the company on May 06, 2011 for buyback of its equity shares the appellant is equally liable for violation of Section 68 and 77A of the Companies Act read with Regulations 3 and 4 of the PFUTP Regulations and Section 12A of the SEBI Act along with the company and its directors.

In V. Shankar v Securities and Exchange Board of India Date of Decision; 01.11.2022 in Appeal No. 283 of 2022, it was held by the Securities Appellate Tribunal (SAT) that the aforesaid provision of

Regulation 19 indicates that the company will nominate a Compliance Officer to redress the grievances of the investors. The appellant being a Company Secretary was also a Compliance Officer and thus the role of the Compliance Officer was only limited to redress the grievance to the investors. In the SAT's view pursuant to the said provision, a Company Secretary cannot be held liable in the present case.

The SAT observed:

"The question which arises for consideration is, whether the appellant who was the Company Secretary had induced others knowingly or recklessly by signing the public announcement or had committed a default under Section 77A and therefore was liable for the penalty imposed by the AO."

In this regard, the SAT referred to Section 215 of the Companies Act 1956 (corresponding to section 134 provides

as under:

"215. Authentication of balance sheet and profit and loss account.

(1) Save as provided by sub-section (2), every balance sheet and every profit and loss account of a company shall be signed on behalf of the Board of directors-

(i) in the case of a banking company, by the persons specified in clause (a) or clause (b), as the case may be, of sub-section (2) of section 29 of the Banking Companies Act, 1949 (10 of 1949);

(ii) in the case of any other company, by its, manager or secretary, if any, and by not less than two directors of the company one of whom shall be a managing director where there is one....

According to section 134(1) of the Companies Act 2013, the financial statement, including consolidated financial statement, if any, shall be approved by the Board of Directors before they are signed on behalf of the Board by the chairperson of the company where he is authorised by the Board or by two directors out of which one shall be managing director, if any, and the Chief Executive Officer, the Chief Financial Officer and the company secretary of the company, wherever they are appointed, or in the case of One Person Company, only by one director, for submission to the auditor for his report thereon.

With regard to authentication of financial statements by the Company Secretary, the Ministry of Corporate Affairs had issued the following Circular:

"Section 215: Responsibility of secretary in authentication of balance sheet, etc

A Secretary by authenticating the balance sheet assumes on himself the same responsibility for the correctness of the statements made therein as the directors who authenticate it. [Source: Circular No. 8/16(1)/61-PR, dated 26 June, 1961].

However, the MCA reversed its view expressed in the aforesaid Circular, which is obvious from the following Circular:

Section 215: Authentication of the annual accounts by the Secretary of a company

A question has been raised as to how far the Secretary of a company renders himself liable for errors etc in a balance sheet when he authenticates the same in pursuance of the provisions of section 215, is being raised. The Department is of the view that as the authentication by the Secretary is "on behalf of the board of directors" and not in his personal capacity the Secretary can be held responsible regarding errors etc only as an "officer" of the company within the meaning of section 628 and not because of authentication by him under section 215 as such. Where, however, the Secretary is charged with the responsibility of maintaining the accounts and also assisting the auditor at the time of auditing, he cannot conceivably escape consequence of any wrong statement in the accounts. [Source: Circular No. 7 of 1972, dated 12 May, 1972.]

The above Circular was referred to in the proceedings in SAT. The SAT then pointed out: "Thus, a perusal of Section 215 clearly indicates that there is a fiduciary responsibility upon the Board of Directors of the Company to verify the contents of the balance sheet before approving it. Once the balance sheet & the profit and loss is approved by the Board of Directors then ministerial task falls upon the secretary & two of the directors to sign the balance sheet under Clause(1) of Section 215.

The finding given by the AO that one of the duties and responsibilities entrusted upon the appellant as a Company Secretary is that he should have exercised utmost due diligence and should have checked the veracity of the buyback offer document before authenticating such document. In our opinion, this finding is totally perverse. Once the offer document and the balance sheet is approved by the Board of Directors the Company Secretary, as part of his duty and responsibility, is only to authenticate the contents indicated in the balance sheet or in the offer document and is not required to go into the veracity of the buyback offer document and its legal compliances before authenticating such document. Such duty is not part of the responsibility of the appellant as a Company Secretary.

We are further of the opinion, that the company is run and managed by its Board of Directors. The AO has found that the Board of Directors were involved in the understatement of the financial in the annual report and in the offer document relating to buyback. It is these Board of Directors who had violated Section 68 knowingly and recklessly inducing investors by inflating the profits of the company. The appellant as a Company Secretary had no role to play except comply with the resolution made by the Board of Directors. The appellant was nowhere responsible for the false or misleading open offer made by the company and therefore cannot be made guilty of Section 68 of the Companies Act.

For the same reason, the company has made a default in complying with the provisions of Section 77 and therefore it is the Board of Directors who are responsible for the default. Merely because the appellant as a Company Secretary is also an officer in default under Section 5 of the Companies Act does not automatically make him an officer in default for noncompliance of the provisions of Section 77A of the Companies Act. A specific finding has to be given that the Company Secretary was himself responsible for compliances under Section 77A, which is missing coupled with the fact that a clear finding has been given that the directors were solely responsible for the understatement made in the balance sheet and the misleading statements made in the open offer.

There is another aspect Regulation 19 of the SEBI (Buyback of Securities) Regulations, 1998 provides various obligations which is required to be carried out by the company. Regulation 19(3) provides as under:-

“19(3) The company shall nominate a compliance officer and investors service centre for compliance with the buy-back regulations and to redress the grievances of the investors.”

The aforesaid provision indicates that the company will nominate a Compliance Officer to redress the grievances of the investors. The appellant being a Company Secretary was also a Compliance Officer and thus the role of the Compliance Officer was only limited to redress the grievance to the investors.

In view of the aforesaid, the impugned order cannot be sustained and is quashed in so far as the appellant is concerned.”

2.2 Supreme Court's order of remitting the case to SAT

In Securities and Exchange Board of India v. V. Shankar [2023] 237 Comp Cas 710 (SC);[2023] 173 CLA 14 (SC), the whole-time member of the Securities and Exchange Board of India found that the respondent had ascribed his signatures on the public announcement for buy-back in his capacity as a company secretary and as a statutory official of the company, he should have exercised due diligence and checked the veracity of the buy-back offer documents and legal compliance before authenticating them and signing the public announcement which was found to have violated sections 68 and 77A of the Companies Act, 1956 and of the provisions of the Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Market) Regulations, 2003 together with cognate provisions of the Securities and Exchange Board of India Act, 1992. The Securities Appellate Tribunal set aside this order and held that once the offer and the balance-sheet were approved by the board of directors, the duty of the company secretary was only to authenticate the contents indicated in the balance-sheet and in the offer document relying on the provisions of regulation 19(3) of the Securities and Exchange Board of India (Buy-back of Securities) Regulations, 1998.

On appeal, the Supreme Court remitted the case back to SAT “for fresh consideration”, held, allowing the appeal, held that

“Regulation 19(3) of the SEBI (Buy-back of Securities) Regulations, 1998 requires the company to nominate a compliance officer and an investors’ service centre. The purpose of the nomination is twofold, namely, (i) to ensure compliance with the buy-back Regulations; and (ii) to redress the grievances of investors. There is a patent error on the part of the Tribunal in interpreting the Regulations. The Tribunal held that the role of the respondent, who was a company secretary, compliance officer, was limited to redressing the grievances of investors. In arriving at the finding, the Tribunal has relied upon the latter part of regulation 19(3) which deals with redressal of the grievances of investors. The crucial point which has been missed by the Tribunal is that the compliance officer is also required to ensure compliance with the Buy-Back Regulations. Regulation 19(3) of the Regulations expressly so stipulates. Since the interpretation which has been placed by the Tribunal on the interpretation of regulation 19(3) is contrary to the plain terms of regulation 19(3), we set aside the impugned decision and remit the proceedings back to the Tribunal for consideration of the facts afresh in the light of the interpretation which has been placed above on the provisions of regulation 19(3).”

2.3 SAT's Order on reconsideration of the earlier decision

Now, as a result of the Supreme Court's directive, a fresh order has been passed by SAT (Order

dated 5 May 2025), which is more elaborate than the first order but does not deviate from the conclusion reached in the first order. Reviewing its earlier decision, reiterating the conclusion in that decision and reaffirming the setting aside of the SEBI's order, the SAT held:

“A Compliance Officer is appointed under Regulation 19(3) of the of the Buyback Regulations. The Company has power to buy its own securities under Section 77A of the Companies Act. It was argued that one of the requirements to purchase its own securities a Company must have free reserves. It was further argued that Section 77A(11) renders the Company or any Officer of the Company who is in default shall be punishable and as per Section 5(f) of the Companies Act a Compliance Officer becomes liable for penal action. We have perused Section 5(f) of the Companies Act which contains the definitions of the „Officer in Default“. As per Section 5(f), any person charged by a Board with the responsibility of complying with that provision and in this case under Section 77A of the Companies Act. As far as the facts of this case are concerned, except stating that appellant being a signatory has misled the investors no specific charge or violation is pointed out by SEBI. It is settled that when an allegation against a delinquent is likely to meet with consequences, the charge must be clear and unambiguous. The impugned order leads us to infer that the Adjudicating Officer has presumed that the Company Secretary/Compliance Officer ought to have re-examined the veracity of the certified accounts. Such a presumption is without any legal foundation and therefore the impugned order is unsustainable in law.”

“As noted above the precise allegation recorded in the impugned order is that as a signatory to the public announcement made by the Company to buy back its equity shares without having adequate free reserves appellant was party to misleading the investors/ shareholders.

The SAT also pointed that although it is true that the appellant was the Compliance Officer. In the detailed arguments made by the learned Senior Advocate and the detailed written submissions filed on behalf of the SEBI, it was stressed that the appellant was a signatory to the public announcement made on 6th May, 2021 and has thus misled the investors. We have carefully perused the said public announcement. In paragraph No.17 of the said announcement, it is stated thus:

‘17. DIRECTORS’S RESPONSIBILITY

The Board of Directors of the Company accepts responsibility for the information contained in this Announcement.

For and on behalf on the Board of Directors

..... LIMITED’

....”

The above announcement makes it amply clear that the Board of Directors of the Company had accepted the responsibility for the information contained in the announcement.

A note of caution

It should be noted that, the Supreme Court’s comment in its judgment noted above impliedly pinpoints the duty and responsibility of the Company Secretary and hence it cannot be ignored in spite of the SAT’s order, which was passed in the light of facts of the case and relevant statutory provisions.

Furthermore, under the Companies Act 2013 a Company Secretary is one of the Key Managerial Personnel (KMP) and is an officer-in-default in terms of the definition in section 2(60) of the Act and, as such, is liable for offences (contraventions and non-compliances) under the Act and hence a Company Secretary can be held liable to punishments (when prosecuted) and penalties (when adjudicated). The definition of officer-in-default does not contain any safety valve and the only remedy would be a petition under section 463 by a court in the case of prosecution. Consequently, a Company Secretary cannot claim wholesale exoneration from liability.

3. PROSECUTION OF COMPANY SECRETARY NOT SUSTAINABLE IF THE COMPANY IS NOT ARRAIGNED

Santosh Kumar Lahoti v. Registrar of Companies, West Bengal [2024] 246 Comp Cas 85 (Cal); [2024] 181 CLA 91 (Cal), is another recent case affecting Company Secretaries. There, the petitioner-company secretary arrayed as accused person in a complaint filed by the opposite party under sections 447 and 448 of the Companies Act, 2013 for alleged violation of section 233(1)(b) of the Act on the ground that the declaration given by the petitioner in form CAA 11 signifying that the scheme had been approved by the requisite majority of the members and creditors under section 233(1)(b) of the Act was false as ninety per cent. of the members or class of members of the transferee company did not approve the scheme of amalgamation. On a petition to quash the complaint.

The Calcutta High Court held: Without the company and the persons responsible for the day-to-day affairs of the company, the prosecution of the petitioner alone, who acted on behalf of the company was bad in law and thus clearly an abuse of the process of law. In the complaint all the allegations in respect of the offence alleged were in respect of the company, and acts done on behalf of the company. But the company and the persons responsible for the affairs of the company had not been made parties. The proceedings under section 448 of the Act for violation of section 233 of the Act was bad in law and thus liable to be set aside.

Standard Penal Provision

What the Calcutta High Court has held in the abovementioned case is the principle laid down by the Supreme Court with regard to provision which in a number of statutes contain under the heading “Offences by Companies” an identical provision regarding vicarious liability of directors and other company officers for company’s offences which, when an offence is committed by a company, seeks to make every person who, at the time the offence was committed, was in charge of, and was responsible to, the company for the conduct of the business of the company, as well as the company, liable to be proceeded against and punished accordingly.

Under this provision, besides the company concerned, the individuals who are in charge of and responsible to the company for the conduct of its business are vicariously liable for the offences committed by the company. The words “as well as the company” indicate that for offences committed by a company the company itself as well as the individuals concerned are liable to be prosecuted and to consequential penalty.

Reversing the earlier judgment, *Sheoratan Agarwal v State of Madhya Pradesh* AIR 1984 SC, 1824 holding that it is not necessary that along with or before the directors are prosecuted, the company should also be prosecuted, the Supreme Court held in *Aneeta Hada v. Godfather Travels and Tours*

P. Ltd. [2012] 172 Comp Cas 75 (SC); (2012) 5 SCC 661, the Supreme Court held that prosecution of the company was necessary and only directors / officers of the company alone could not be prosecuted. The Supreme Court observed:

"As the liability is penal in nature, a strict construction of the provision would be necessitous and, in a way, the warrant. There has to be strict observance of the provisions regard being had to the legislative intendment because it deals with penal provisions and a penalty is not to be imposed affecting the rights of persons whether juristic entities or individuals, unless they are arrayed as accused. It is to be kept in mind that the power of punishment is vested in the Legislature and that is absolute in section 141 of the Act which clearly speaks of commission of offence by the company. The words "as well as" have to be understood in the context. Commission of offence by the company is an express condition precedent to attract the vicarious liability of others. Thus, the words "as well as the company" appearing in the section make it absolutely clear that when the company can be prosecuted, only then can the persons mentioned in the other categories be vicariously liable for the offence subject to the averments in the petition and proof thereof. The company is a juristic person and it has its own respectability. If a finding is recorded against it, it would create a concavity in its reputation. There can be situations when the corporate reputation is affected when a director is indicted."

4. SEBI's LODR REGULATIONS AMENDMENT REGARDING COMPLIANCE OFFICER

Regulation 6(1) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) 2015 ('LODR Regulations') provides that "A listed entity shall appoint a qualified company secretary as the compliance officer."

By the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Third Amendment) Regulations, 2024 w.e.f. 13.12.2024, the following proviso has been inserted: "Provided that the Compliance Officer shall be an officer, who is in whole time employment of the listed entity, not more than one level below the board of directors and shall be designated as a Key Managerial Personnel." [emphasis supplied]

Needless to state, a company secretary is a Key Managerial Person in terms of section 203 of the Companies Act 2013. After the abovementioned amendment was notified, the SEBI issued a Circular [SEBI/HO/CFD/PoD2/CIR/P/2025/47 dated 1 April 2025] clarifying that "the term 'level' used in regulation 6(1) refers to the position of the Compliance Officer in the organization structure of the listed entity. Therefore, 'one-level below the board of directors' means one-level below Managing Director or Whole-time Director(s) who are part of the Board of Directors of the listed entity. This will be in line with regulation 2(1)(o) of the LODR Regulations read with section 2(51) of the Companies Act, 2013."

This step of SEBI has the effect of recognising the importance of the position of compliance officer under the LODR Regulations and also enhancing the status of company secretary by putting him/her at the higher echelon in the listed entity. While the board of directors of a company is considered level one, managing director or whole-time director is considered level two. The company secretary is sought to be placed at level three.

Now, the ball is in company secretaries' court to prove his/her worth and to not fail the corporates, the government and the SEBI.

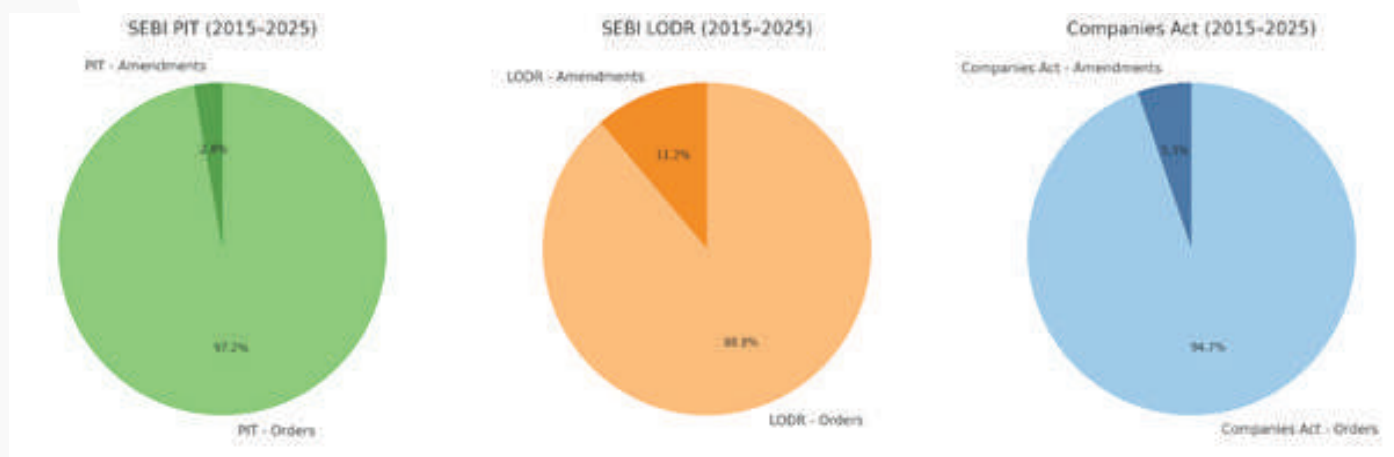
PARTNERING OF PCS WITH CORPORATES – BEYOND CERTIFICATIONS AND OUTSOURCING!



BY CS MAKARAND JOSHI
PARTNER MAKARAND M. JOSHI & CO.

Those were the days when company secretaries [whether in practice or employment] used to remember amendments by dates, those were the days when amendments used to require approval of parliament and wrongdoer required trial via long-drawn court process to get convicted.

Cut two, in last 10 years ['2015-2025'] we have seen 212 amendments in Companies act, 2013 (including act and rules), 38 amendments in Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), regulations, 2015 ['SEBI LODR'] regulations and 13 amendments in PIT regulations. We have seen 3761 number of orders getting passed by MCA and 300 plus and 450 plus orders passed by SEBI under adjudication process under SEBI LODR and Securities and Exchange Board of India (Prohibition of Insider Trading) regulation 2015 ['SEBI PIT'] respectively. Pie chart depicting same is specified below:



Evolving expectations and priorities for a knowledge professional

When I started my career 25 years ago, reading and awareness about commentary written by great stalwarts was considered as knowledge and there was a good amount of literature available in commentary format. In the last 10 years so much has changed and law has become so dynamic that the shelf life of any commentary has significantly diminished due to continuous changes in law and therefore focus of professionals should shift from knowing the provisions of law to ability to interpret. However, law kept changing very fast and now interpretation is also not adequate. A professional in

the corporate secretarial domain needs to imbibe many more aspects like effective policies, processes, technology, project management, technology etc. to be effective. Practicing company secretary has role to play to help company secretaries in employment to cope with this aspect. A lot of the CS's energy in corporate goes in stakeholder management and therefore there is opportunity for a Practicing Company Secretary ['PCS'] to assist his fellow friend working in corporate.

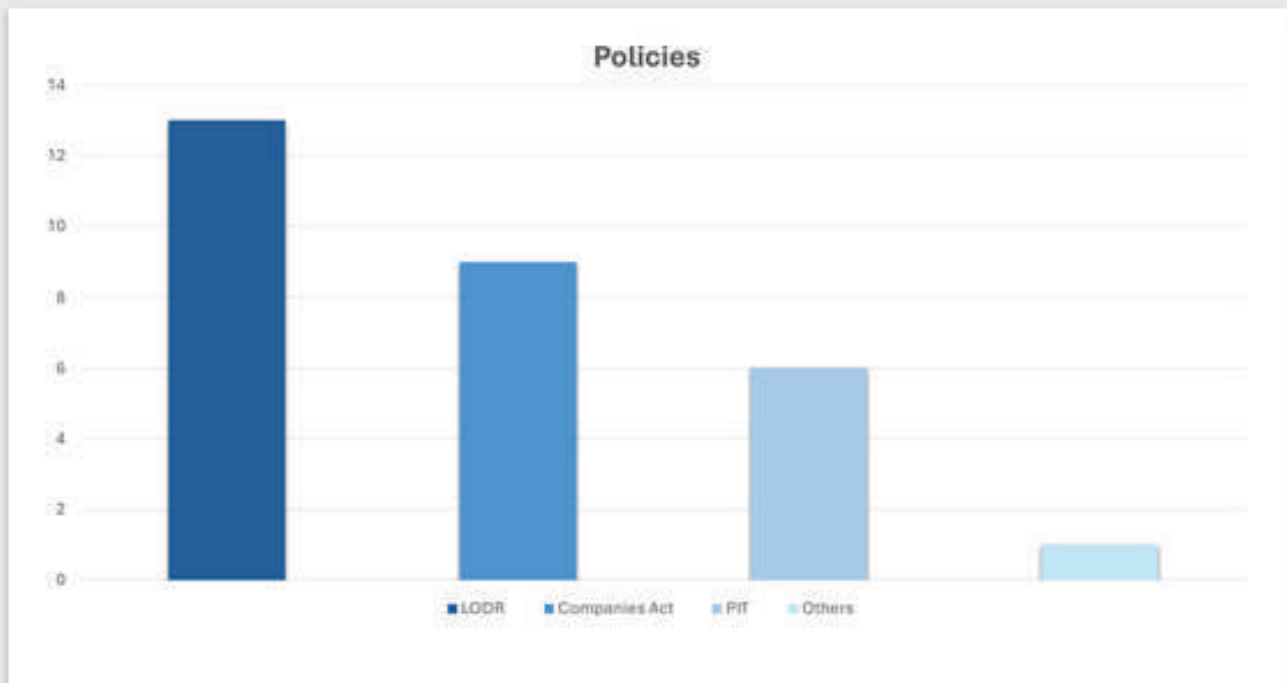
Areas for collaboration – PCS and CS in employment

There are 5 broad areas where PCS can support corporates [apart from audit, attestation, and outsourcing services] –

- Helping in framing, drafting policies, and assessing its impact
- Designing, documenting, reviewing processes
- Helping in getting alignment of internal stakeholders for compliances
- Enabling technological interventions
- Representing and replying to inquiries and scrutiny

Policies and procedures

Under SEBI LODR, 13 policies are required to be adopted by the board of directors of a listed entity. Below chart provides number of policies required to be framed under SEBI LODR, companies act and PIT:



Generally secretarial departments in corporates frame these policies. This is a great opportunity for company secretary to move from just a compliance officer to policy maker and truly occupy the post of one level below board of directors as envisaged under regulation 6 of SEBI LODR. Most of the times these policies lack careful drafting. If thought over well, this is clearly an opportunity to stand out. Good policy framework not only helps to call out understanding of some key terms in corporate laws [where there are multiple meanings eg. What is UPSI or what is start date of UPSI, what is purpose and effect under RPT], it also gives opportunity for board members to clearly reflect what they stand for. For example, in code of conduct for dealing in securities of listed entities by designated persons and their immediate relatives framed under regulation 9(1) of PIT Regulations some companies had mentioned about clear ban on dealing in F & O corresponding to scrips of listed entity. In policy for identification of material subsidiary framed under regulation 16(1)(c) of SEBI LODR some companies had gone beyond statutory requirement of 10 or 20% of consolidated turnover and had covered even balance sheet items for identification of material subsidiary. Dividend distribution policies of some companies framed under regulation 43A of SEBI LODR clearly give a picture to the investor about philosophy of company to distribute surplus amongst shareholders.

Policies clearly differentiate between a Man and a boy. Policies clearly reflect on depth of secretarial department and even upon board of directors of that company.

Policies also act as defence when it comes to any allegation made by whistle blower or regulator, because the policies are very well thought and within framework of law. In grey areas of interpretation, policies and processes also give reasoning to the decisions made by board and management and thereby charges of arbitrariness or acting in interest of stakeholders get eliminated.

Consistent policies also give freedom, assurance, and protection to management.

A practising company secretary can help corporates in studying data about industry and various companies about Policies. PCS can help corporates to choose appropriate objective/ goal, assess changing outside world v/s internal culture – structure strength of organisation and then accordingly frame policies to achieve objectives. Since these policies can be available to public, these policies will help attract right investors, talent and help alignment of stakeholders faster and longer while mitigating lot of risks.

Processes and Technology

Corporate law [both companies act and SEBI LODR] has become so complex that intention and policies alone cannot get you there. For that we need robust processes and at next level technologically advanced processes. For effective implementation of compliances like related party transactions [RPT] require multiple robust processes. For example – process of identification of related parties, mapping transactions with related parties (directly or indirectly), processes to identify transactions where a Related Party ('RP') can be indirectly benefited, framework for onboarding RPs, processes about ascertaining best interest for company, processes for data collation, processes of reporting, processes of frequent audits, processes of whistle blowers about RPT and many more. These processes collectively become comprehensive compliance management system.

There are quite a few corporates who seek help of professionals in streamlining these processes which are appropriate for them and meeting the expectations of regulators and law makers. PCS has a great opportunity to develop mastery in streamlining these processes and take corporate secretarial functions to various process related accreditations like ISO. Secretarial department doing ISO for its quality processes and for data protection can give lot of comfort to various stakeholders. In case of any enquiries from regulators about any probable violation of RPT or PIT or CSR or Code of Conducts or Policies, these processes can prove bona fide intention of fiduciaries and can act as ring fence at many times.

Processes, particularly those enhanced by technology, can also bring a lot of ease and comfort about compliances not only to secretarial team but also to board of directors. Imagine that using technology if related party is identified via disclosures from all concerned parties, a dashboard presented to audit committee about this, how reassuring that would be! If via vendor, distributor, employee onboarding processes are tagged, and no vendor/ distributor/ employee can be onboarded if he/ she is RP! Such a comfort giving thing to every fiduciary!! PCS can help in streamlining this and even anchoring this, further being a custodian of these processes. This can bring lot of credibility to profession and great utility to industry. RPT, PIT, CSR, Whistleblower, board, and committee meeting processes are very demanding, and PCS can bring lot of ease to it.

Stakeholder Engagement

No longer secretarial field can work in isolation. Be it RPT, PIT, SAST, Reg. 30, ESOP, CSR, Meetings, stakeholder engagement – alignment – and responsibility sharing has become a key for performance of company secretary. PCS can help corporates in conducting trainings, communication strategies, KPI framing to take care of these compliances, and propagation of its importance to senior management – executive directors and overall board of directors. Story telling techniques – engaging presentations – communication collaterals – learning management techniques – new generation engaging tools like gamifications / animations / bots can bring lot of acceptability to these efforts and PCS is equipped to help in this as important player.

My experience tells me that with these efforts, perception of senior management towards company secretary profession can change dramatically.

Conclusion

It is a high time PCS must move beyond certification/ attestation/ outsourcing services. PCS should become partner of his fellow in corporate. This partnership between corporate and PCS will bring lot of sustainability in practices, help corporates position well, protect well, attract good investors, bring ease in compliance, and win credibility.

.....

ESG & SOCIAL GOVERNANCE – PCS PERSPECTIVE



BY CS ANAGHA ANASINGARAJU
PARTNER, KANJ & CO LLP



MS. SRINIDHI ANASINGARAJU
(STUDENT)

What is ESG?

ESG refers to Environmental. Social. Governance. ESG refers to a cluster of non-financial information that can be material to investors – under the broader umbrella of sustainability. Globally, investors are using ESG scores to evaluate companies – helping them avoid companies that might pose a greater financial risk due to their environmental, social or governance practices. Investments made using such ESG scores is also referred to as sustainable investing, responsible investing, impact investing, or socially responsible investing. Financials / Accounts measure performance, but ESG measures impact.

Components of ESG

Environmental (E)	Social (S)	Governance (G)
E1. GHG Emissions	S1. CEO Pay Ratio	G1. Board Diversity
E2. Emissions Intensity	S2. Gender Pay Ratio	G2. Board Independence
E3. Energy Usage	S3. Employee Turnover	G3. Incentivized Pay
E4. Energy Intensity	S4. Gender Diversity	G4. Collective Bargaining
E5. Energy Mix	S5. Temporary Worker Ratio	G5. Supplier Code of Conduct
E6. Water Usage	S6. Non-Discrimination	G6. Ethics & Anti-Corruption
E7. Environmental Operations	S7. Injury Rate	G7. Data Privacy
E8. Climate Oversight / Board	S8. Global Health & Safety	G8. ESG Reporting
E9. Climate Oversight / Management	S9. Child & Forced Labour	G9. Disclosure Practices
E10. Climate Risk Mitigation	S10. Human Rights	G10. External Assurance

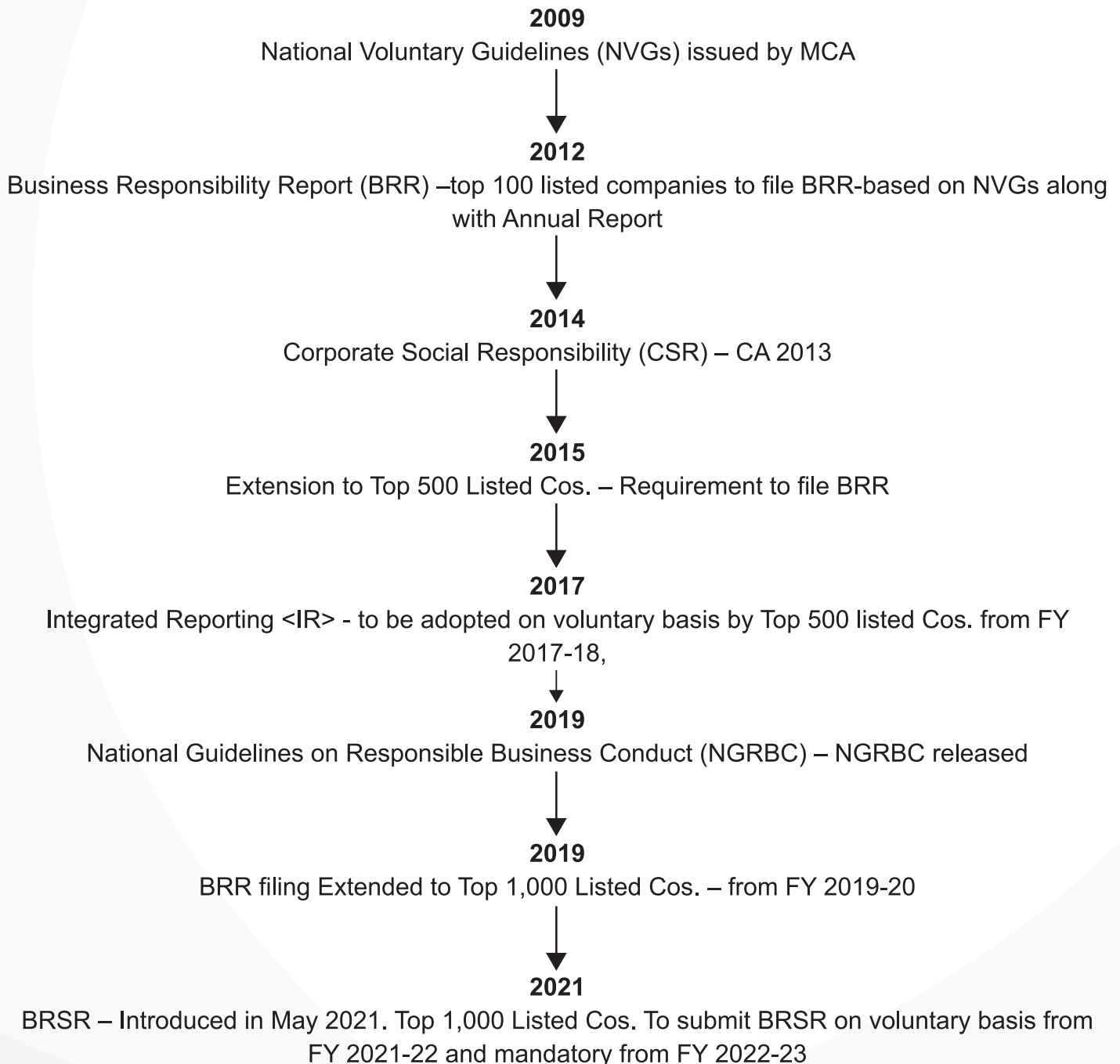
Need for ESG Reporting:

The need emerged in response to growing concerns about social and environmental impact of business activities - the need to make businesses accountable for their social and environmental impact. ESG reporting contributes to:

1. Increased transparency and accountability
2. Enhanced sustainability

- 3. Non finance Risk management
- 4. Building shareholder trust
- 5. Promoting social impact
- 6. Alignment with global trends

Evolution of Corporate Reporting:



What is IR?

Integrated Reporting (IR) is a management and communication tool for understanding and measuring how organisations create value now and in the future. The goal is not to provide more information, but effective information. IR allows a business to tell its value-creation story in a

cohesive and holistic manner and ultimately enables efficient and productive allocation of capital. It aims to build integrated thinking across departments.

 Financial capital The pool of funds available to an organization or its use in the production of goods or the provision of services – this capital is obtained through financing or is internally generated.	 Social and relationship capital The relationships and institutions within and between communities, stakeholders, and other networks intersecting with the organization.
 Manufactured capital The manufactured physical assets available for use by the organization.	 Human capital The competencies, capabilities, and experience of the organization's people.
 Intellectual capital Organizational and knowledge-based intangibles, including patents, software, systems, and procedures.	 Natural capital All renewable and non-renewable environmental resources that the organization uses, including air, water, land, biodiversity, and the health of ecosystems.

What is BRSR?

Business Responsibility and Sustainability Reporting (BRSR) framework is a mandatory reporting requirement for the top 1,000 listed companies in India. It is based on the 9 principles of National Guidelines on Responsible Business Conduct ('NGRBCs').

 Principle 1: Businesses should conduct and govern themselves with integrity and in a manner that is ethical, transparent and accountable.	 Principle 2: Businesses should provide goods and services in a manner that is sustainable and safe.	 Principle 3: Businesses should respect and promote the well-being of all employees, including those in their value chains.
 Principle 4: Businesses should respect the interests of and be responsive to all its stakeholders.	 Principle 5: Businesses should respect and promote human rights.	 Principle 6: Businesses should respect and make efforts to protect and restore the environment.
 Principle 7: Businesses, when engaging in influencing public and regulatory policy, should do so in a manner that is responsible and transparent.	 Principle 8: Businesses should promote inclusive growth and equitable development.	 Principle 9: Businesses should engage with and provide value to their consumers in a responsible manner.

Comparison between IR and BRSR

Feature	BRSR Reporting	Integrated Reporting
Mandate	Mandatory for specific listed companies in India	Voluntary
Focus	Compliance with ESG standards	Holistic view of value creation
Format	Specific format with core KPIs	Flexible and customizable
Scope	Primarily ESG metrics	Broader range of factors beyond ESG
Perspective	Short-term historical data	Long-term value creation

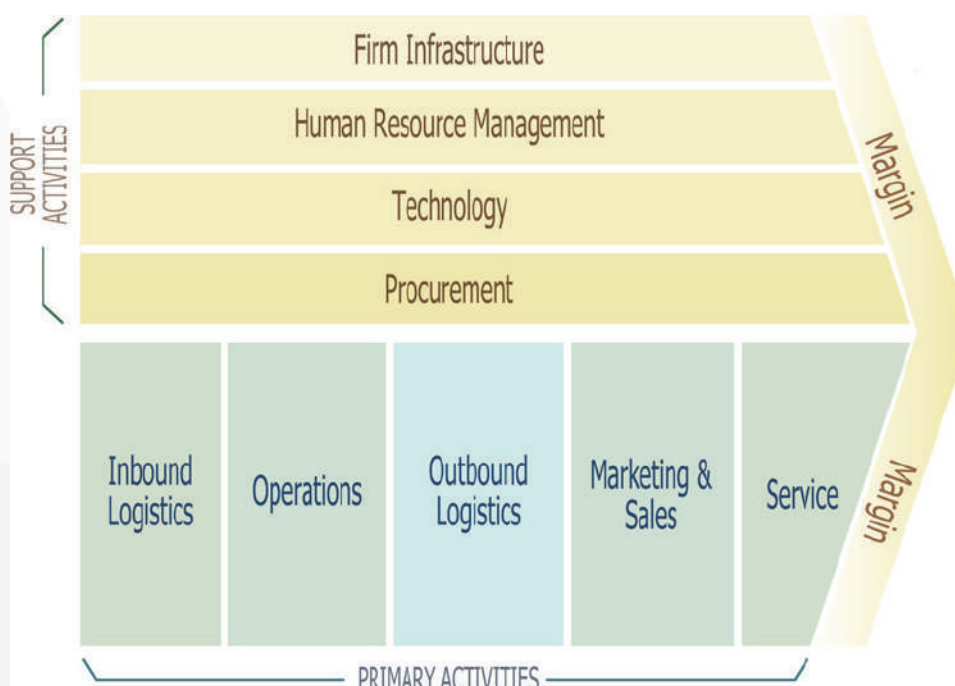
What are KPIs?

There are 42 Key Performance Indicators i.e. KPI prescribed by SEBI for reporting. These are categorized under Environmental, Social and Governance parameters.

- Environmental – cover resource consumption like water, energy, waste generation, green house emissions etc. Example: energy consumption per unit of production.
- Social – address employee wellbeing, diversity & inclusion, human rights, community engagement. Example: no. of hours of training provided, employee turnover rate.
- Governance – focus on board composition, risk management, anti-corruption measures. Example: percentage of women directors, whistle blower policy implementation

What is Value Chain?

A value chain refers to the series of interconnected steps involved in bringing a product or service from its initial conception to its final delivery to the customer. It encompasses all the activities that add value to the product or service, ultimately creating the final offering that customers are willing to pay for. Each stage of the value chain adds value to the product or service. This value can be tangible, such as adding physical features or functionalities, or intangible, such as enhancing customer experience or brand reputation.



ESG Disclosures for Value Chain

What to Disclose:

- Listed companies need share information about their value chain in the Annual Report.
- The value chain should include the main partners (upstream and downstream) that make up 75% of the company's purchases or sales.

Reporting Key Metrics:

- Companies should report specific metrics (KPIs) related to ESG aspects for their interactions with each value chain partner.
- They can report this information separately for upstream and downstream partners or combine it into an overall view.

Clarity in Reporting:

- Companies must be clear about the scope of their reporting.
- They need to disclose any assumptions or estimates they have made in the process.

Who Needs to Comply:

- The requirement is applicable to the top 250 listed companies based on market capitalization.
- This becomes mandatory starting from the financial year 2024-25.

BRSR Report Format

The BRSR disclosures are segregated into the following 3 different sections:

1. Section A: General Disclosures

Information relating to the listed entity like products/services offered, operations, markets served by the entity, CSR details, etc. needs to be disclosed.

2. Section B: Management and Process Disclosures

This section is aimed at helping businesses demonstrate the structures, policies, and processes put in place towards adopting the NGRBC Principles and Core Elements.

3. Section C: Principle-Wise Performance Disclosures

This section is aimed at helping entities demonstrate their performance in integrating the Principles and Core Elements with key processes and decisions.

How to prepare BRSR Report?

1. The individual or entity responsible for generating a BRSR report should possess essential expertise in BRSR.
2. Identify which principles are not applicable at all
3. Identify which departments / units are connected with a particular Principle
4. Prepare checklists for each Principle for each department
5. Collect information from concerned persons
6. Compile and present information in the prescribed format

Role of Company Secretaries

- Get ESG Education - Initiatives like ICSI's crash course on ESG analysis.
- Increased Stakeholder Engagement - Conducting in-house awareness sessions and regular communication, such as monthly newsletters, can enhance engagement with various stakeholders.
- Evolving regulatory landscape.
- Preparing checklists, assisting clients in co-ordination with various departments, analysing data collected from various stakeholders, preparing the report in given format.

What is GRI?

The Global Reporting Initiative (GRI) is a leading international organization that provides a widely recognized framework for sustainability reporting. GRI provides a comprehensive set of guidelines and standards for organizations to report on their sustainability performance. GRI Standards are voluntary, but they are widely adopted by organizations around the world.

Social Audit and Impact Assessment

What is a Social Enterprise?

Social enterprises are a unique type of business that prioritize social impact alongside financial sustainability. Primary objective is to create positive social or environmental change, not just maximize profits

They generate revenue through business activities like selling products or services, but they reinvest their profits back into their social mission rather than distributing them solely to shareholders. SEs must focus on activities aligned with the social mission

Examples – Eradicating hunger, poverty, promoting healthcare, education, gender equality, preserving art and culture, promoting rural sports, disaster management, rural development, bridging digital divide, financial inclusion.

Criteria for Social Impact -

Revenue Criterion:

- Minimum 67% of the 3-year average revenues should come from providing eligible activities to the target population.

Expenditure Criterion:

- Minimum 67% of the 3-year average expenditure should be incurred for providing eligible activities to the target population.

Customer Base/Beneficiaries Criterion:

- At least 67% of the social enterprise's customer base/beneficiaries in the preceding 3 years should be from the target population.

What is Social Stock Exchange (SSE)?

A Social Stock Exchange (SSE) is a mechanism, established as a separate segment within existing stock exchanges, designed to facilitate fundraising for social enterprises and non-profit organizations. SSE allows these organizations to raise capital by issuing equity, debt, or other instruments to investors who are interested in supporting their social impact initiatives. SSE connects social enterprises with funding sources while providing transparency and accountability in how funds are utilized.

BSE launched the first SSE in India in 2012, and the NSE received approval for launching its own platform in 2023. The SGBS Unnati Foundation, a not-for-profit organization focused on skilling and livelihoods development, successfully completed its initial listing on the SSE in November 2023. They raised ₹1.8 crore through zero-coupon zero-principal (ZCZP) instruments.

Social Stock Exchange Stakeholders

The different stakeholders of the social stock exchange are:

1. Trading Members
2. Non-Profit Organisations (NPOs)
3. For-Profit Enterprises (FPEs)
4. Market Infrastructure Institutions (MIIs)
5. Social Auditors
6. Information Repositories
7. Regulators and Investors.

Social Audit Components

Formal Review of CSR and Social Impact: Evaluates an organization's Corporate Social Responsibility (CSR) activities and policies to assess their alignment with commitments and intended/unintended social impacts.

1. Applicable to:

- Top 1,000 listed companies by market capitalization under BRSR (Business Responsibility and Sustainability Report) framework.
- Value chain partners of the top 250 listed companies (from FY 2024-25) on a "comply-or-explain" basis.

2. Conducted by:

- Internal teams for self-improvement.
- Independent third-party auditors for greater transparency and credibility.

3. Methods:

- Analysis of documentation, stakeholder interviews, site visits.

2) Relationship between the two:

- Social audits often rely on data and findings from SIAs conducted on specific initiatives.
- Results of a social audit can inform future SIAs by highlighting areas needing further evaluation or improvement.

Objectives of Social Audit

- 1) To evaluate how well public resources are being used to meet the real needs of target beneficiaries;
- 2) To value the voice of the stakeholders including marginalized/poor groups whose voices are rarely heard;
- 3) To look at what the social enterprise is doing;
- 4) To make a comparison between actual performance and the organization's goals;
- 5) To ascertain where improvements need to be made, and what those improvements should be;
- 6) To strengthen accountability and transparency in local bodies;
- 7) To assess the physical and financial gaps between needs and resources available for social aims and objectives;
- 8) To increase efficacy and effectiveness of local development programmes;
- 9) To scrutinize the various policy decisions keeping in view stakeholder interests and priorities, particularly of rural poor.

Disclosures with respect to Social Impact

- 1) A Social Enterprise shall be required to submit an annual impact report to the SSE in the format specified from time to time.
- 2) The annual impact report shall be audited by a Social Audit Firm employing Social Auditor.
- 3) The SSE may specify parameters, in addition to those specified by the SEBI, which shall also be required to be disclosed on an annual basis.

Eligibility Criteria for Social Auditor

- 1) Post-graduates from universities recognized by the University Grants Commission (UGC) with a minimum of 3 years of experience in the development sector.
- 2) Graduates from universities recognized by the UGC with a minimum of 6 years of experience in the development sector.
- 3) Cost and Management Accountants, Chartered Accountants, or Company Secretaries holding a valid Certificate of Practice.
- 4) Firm/Institution Criteria:
 - For firms or institutions to qualify, they must have partners or employees who meet the social auditor criteria.
 - The firm/institution should have a minimum track record of three years in conducting social impact assessments.
- 5) NISM Social Auditors Certification Examination: The NISM Social Auditors Certification Examination, mandated by SEBI, aims to create a pool of social auditors who can assess the impact of social interventions by various social enterprises raising funds through the SSE platform.

Disqualification

- I. Any individual or any of the partner/Director of an entity convicted for an offence involving moral turpitude by any court of competent jurisdiction.
- II. The individual or any of the partner/Director of an entity has been declared as undischarged insolvent/bankrupt by the court of competent jurisdiction or any other authority empowered by law.
- III. Any individual or any of the partner/Director of an entity has been debarred by SEBI.

Examples of Social Audit

ABC Limited – Charitable Contributions:

- ABC Limited is a company involved in the purchase and sale of household items.
- It claims to make donations, particularly offering groceries to needy families.
- A social audit in this case involves thoroughly evaluating charity records and other documents to verify the validity of the claims made by ABC Limited.

ABC Limited – Environmental Impact:

- ABC Limited is engaged in a clean and green business, emphasizing eco-friendly practices.
- An assessment involves reviewing procedures to ensure they do not cause harm to the environment and implementing only eco-friendly processes.
- The assessment report is updated on the company's website, providing transparency and information for potential investors interested in ABC Limited shares.

Conducting Social Audit

PHASE 1 – Preparing and Planning

- Establish Legitimacy in the community
- Identify a focus
- Obtaining government documents
- Constitutes a core group of organizers
- Mobilise participants
- Engage other relevant stakeholder
- Decide on dates and organize logistics

PHASE 2

- Step 1: Holding a Mass Meeting and Establishing a Mandate
- Step 2: Preparing and Organising Participant Group
- Step 3: Training the Participant Group
- Step 4: Developing and Testing Social Audit Questionnaires
- Step 5: Gathering Evidence in the Community
- Step 6: Capturing Community Experiences and Testimony for the Public Hearing
- Step 7: Agreeing on the main finding and organizing the evidence
- Step 8: Preparing for the public engagements
- Step 9: Holding the Public Engagement
- Step 10: Reflecting and Following up

Difference in CSR and Social Audit

Feature	CSR Audit	Social Audit
Focus	Specific CSR activities	Overall social and ethical impact
Scope	Implementation of CSR programs	Broader range of social issues
Purpose	Compliance and assurance	Assessment and improvement
Mandatory	Often for larger companies	Less commonly mandatory

Scope for Professionals

I. Conducting Social Audits:

a. Mandatory Audits:

- BRSR,
- Evaluate ESG performance based on defined parameters,
- Provide assurance on the accuracy and completeness of reported data.

b. Voluntary Audits:

- Conduct independent assessments of organizations' CSR initiatives aligned with various frameworks like GRI (Global Reporting Initiative).
- Evaluate social impact of specific projects or programs through Social Impact Assessments (SIAs).
- Provide recommendations for improvement and ensure ethical implementation of initiatives.

II. Other Roles:

- Capacity Building: Train various stakeholders (companies, NGOs, communities) on conducting social audits and understanding ESG principles.
- Awareness Generation: Promote the importance of social responsibility and its role in sustainable development.
- Policy Advocacy: Contribute to formulating and implementing effective ESG policies and regulations.

What are Green Funds?

Green funds are investment vehicles dedicated to financing projects and companies that contribute to environmental sustainability – generally renewable energy, energy efficiency, sustainable infrastructure

- Investment Focus: They prioritize environmental impact alongside financial returns.
- Risk and Return: While aiming for financial gain, green funds may carry different risk profiles compared to traditional investments. The balance between environmental impact and profitability varies depending on the specific fund and its investment strategy.
- Investor Types: Individuals, institutions, and organizations seeking to align their investments with environmental goals can invest in green funds.

Examples in India - InfraGreen Infrastructure India Ltd., ICICI Prudential Green Equity Fund, Axis ESG Equity Fund, Kotak Mahindra ESG Opp Fund, HDFC Sustainable Equity Fund

Governance Caselet and Insights

Company: Unilever

Conflict- With its global footprint, Unilever found itself at the forefront of sustainability debates. Being one of the world's most expansive consumer goods companies meant that its environmental impact reached vast extents. Every step from sourcing raw materials to product distribution had an environmental implication. The pressing question was – How could Unilever innovate to significantly reduce its impact while maintain its expansive growth?

Solution- To address this, Unilever introduced the “Unilever Sustainable Living Plan” in 2010. This wasn't just a mere strategy but a holistic blueprint that aimed to intertwine profitability with sustainability. The plan focused on comprehensive areas ranging from waste reduction, sustainable ingredient sourcing, to advocating for carbon neutrality across its operations.

Overall Impact-

- By 2020, Unilever remarkably ensured that 75% of its factories achieved non-hazardous waste to landfill.
- The company's carbon emissions saw a notable reduction.
- Sustainable ingredient sourcing practices were put in place, leading to more eco-friendly products.
- Positive ripple effects were observed in its supply chain, leading partners and vendors to adopt similar practices.

Key Insights-

- Large corporations can seamlessly integrate sustainability while scaling up.
- Proactive sustainability initiatives lead to both environmental and financial dividends.
- Consumers prioritize and support sustainable brands.
- Collaborative efforts within the supply chain magnify sustainable impacts.

Source: <https://digitaldefynd.com/IQ/esg-case-studies/>

.....

DEAL STRUCTURING – PRACTICAL CONSIDERATIONS



VIKAS AGARWAL
CO-FOUNDER,
LEGALOGIC CONSULTING



PRACHI KHATRI
SENIOR LEGAL ADVISOR,
LEGALOGIC CONSULTING

INTRODUCTION

In recent times, we have witnessed a surge in corporate transactions, each with its unique set of legal and commercial intricacies. Where earlier we saw relatively straightforward deals, today's transactions call for more sophisticated structuring. Each deal presents its own set of challenges and requires a thoughtful approach—one that aligns commercial objectives, optimises tax outcomes, and anticipates potential areas of conflict to minimise future disputes. Deal structuring is not just about regulatory compliance; it's about balancing both legal and commercial expectations to craft an efficient structure, that achieves the parties' desired objectives. A deal structure can significantly impact the deal's feasibility, efficiency, and success.

In this article, we explore the practical considerations that shape deal structuring, with a focus on commercial intent, tax efficient and regulatory constraints across both domestic and cross-border transactions.

COMMERCIAL OBJECTIVES

A fundamental step in structuring any transaction is clearly identifying the commercial objectives of the parties involved. Whether the goal of the parties is to achieve a strategic acquisition, merger, joint venture, financial investment, strategic investment, or acquisition of a specific business or asset, the structuring must serve the purpose efficiently. Each objective brings with it a unique set of legal, regulatory and tax considerations. The focus changes with the change in the objective of the parties, for instance, a strategic acquisition may require mechanisms to ensure control, integration and continuity, whereas a financial investment may prioritise exit rights, downside protection and governance oversight. A joint venture would typically focus on aligning the roles and responsibilities of the partners, establishing clear governance frameworks, and setting out mechanisms for decision-making, profit-sharing, and exit. Similarly, asset transfer would demand a different approach to risk mitigation and title transfer. A transaction could also be a combination of these approaches, to achieve the most efficient structure, which is where the creativity of the lawyer comes into play.

TAX EFFICIENCY

Tax implications are one of the most crucial considerations of structuring a transaction. If the intent of the Parties is to acquire the assets of the company, instead of doing an asset transfer which would

attract GST, parties can opt for business purchase on a going concern (slump-sale), which would exempt the transaction from GST. Slump-sale is generally both tax and time efficient, in slump-sale the parties however need to be mindful that the slump-sale requirements (as per the IT Act) are adhered to, to avail the tax benefits. Alternatively, the parties may consider a share purchase, which would attract capital gain tax, which will be significantly lower than the tax impact associated with asset transfer. Similarly, a buy-back of shares, as opposed to a share purchase, could lead to approximately 24% higher tax outflow. A founder or promoter shareholder exiting the Company, should structure the deal so as the excess cash in the books of the company is added to the purchase consideration, instead of withdrawing the cash personally, which would have a similar tax impact as buy-back. Additionally, consideration received via an earn-out mechanism may have different tax consequences than an upfront share purchase. In many such cases, a carefully structured transaction can significantly reduce the tax burden for the parties.

PAYMENT MECHANISMS

Another aspect considered during deal structuring is the method of payment of consideration. The method of payment of consideration can differ depending on nature of transaction, applicable regulatory requirements and most importantly the intent and comfort of the parties. The parties would go for upfront payment of consideration or deferred payment (including in form of an earnout) which could be deferred over a period of time as determined by the parties. We see a lot of deals, where earnout is a component in consideration. Earnouts are typically used in scenarios where there is a gap between the parties' valuation expectations, particularly when the future performance of the target is a key variable. By deferring a portion of the consideration and linking it to post-closing performance metrics, such as revenue, EBITDA, or customer growth, earnouts allows the buyer/acquirer to mitigate the risk of overpayment while giving sellers the opportunity to realise additional value if the business performs as projected. At times, consideration includes a holdback mechanism which also operates as a form of security for any potential indemnity claims that may arise post-closing. In such cases, a specified portion of the purchase consideration is withheld by the buyer for a defined period (holdback period) to cover any losses or liabilities discovered after the transaction that fall within the scope of the seller's representations, warranties, or covenants. Holdbacks are often supported by escrow arrangements to provide comfort to the transferor party. From a legal standpoint, it is critical to clearly define the quantum of the holdback, the duration of the holdback period, the process for claiming against the holdback, and the threshold and caps applicable to such claims, to avoid ambiguity and dispute. Another form of consideration that frequently arises in strategic transactions, especially in mergers or investments between entities within the same or complementary sectors, is a share swap. In a share swap arrangement, instead of receiving cash, the seller (or shareholders of the target) receives shares of the buyer or its parent entity as consideration for the sale or transfer of shares in the target company. A share swap is often preferred in transactions where the acquiring company is looking to conserve cash or where both parties see long-term value in being invested in each other's growth. It is particularly common in consolidation-driven deals or when the transaction is more of a strategic partnership than a pure sale.

FOREIGN EXCHANGE COMPLIANCES

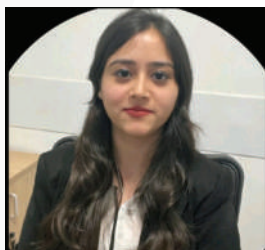
Where a non-resident entity or individual is a party to the transaction, FEMA regulations become a critical overlay in deal structuring. Regardless of how the consideration is commercially agreed—whether through upfront payment, deferred consideration, holdback, earnout, or share swap—the structure must comply with FEMA's pricing, sectorial caps, timing, and reporting requirements to ensure the enforceability of the transaction. FEMA permits only up to 25% of the total consideration to be deferred, and it must be paid within 18 months of the execution of the transaction documents. This cap applies collectively to all forms of deferred payments, including holdbacks and earnouts. In earnout scenarios, where consideration is contingent, the 25% and 18-month limit must be computed on the maximum possible payout, not just the base amount. Where parties wish to defer payment beyond 18 months, alternative structuring is needed. One approach is to classify the deferred amount as an employment-linked bonus, though this triggers higher personal tax. A more tax-efficient structure involves issuing non-voting bonus shares to the exiting shareholder, wherein the later sale of these non-voting bonus shares is treated as a capital gains transaction, allowing deferred payment without breaching FEMA or incurring unfavourable tax outcomes. Further, shares of an Indian entity cannot be issued or transferred by a resident to a non-resident below Fair Market Value. Where the acquiring entity or entity whose shares are being transferred is a foreign-owned or controlled company, sectoral caps and downstream investment rules under the FDI policy must also be factored in. In essence, cross-border transactions demand early alignment with FEMA to ensure enforceability, avoid regulatory delays, and structure payouts within permissible limits.

CONCLUSION

Structuring a deal is a strategic exercise that demands careful planning and close collaboration between legal advisors, tax specialists, and business stakeholders. An effective structure not only facilitates smooth execution but also mitigates future risks and sets the foundation for long-term value creation. The chosen structure must align with the core commercial objectives, account for legal, regulatory, and tax considerations, and allow for sufficient flexibility to adapt to evolving circumstances. In today's rapidly changing regulatory and business landscape, getting the structure right at the outset is critical. When stakeholders work together with foresight and precision, deal structuring becomes more than a compliance exercise, it becomes a key enabler of a successful transaction.

.....

INSURANCE MARKETING FIRM AND ITS COMPLIANCES



MS. GOPI CHITALIYA

INTRODUCTION

Insurance Marketing Firms (“IMF”) are regulated distribution channels authorized by the Insurance Regulatory and Development Authority of India (“IRDAI”) to solicit and procure insurance products. Additionally, they can distribute other financial products regulated by the Securities and Exchange Board of India (“SEBI”), the Reserve Bank of India (“RBI”), the Pension Fund Regulatory and Development Authority of India (“PFRDA”), the Department of Posts among others.

IMF achieve this by employing licensed individuals to market these products. They are registered under the IRDAI (Registration of Insurance Marketing Firm) Regulations, 2015 as amended from time to time.

IMF can offer a wide range of products sold on an individual or retail basis, with the exception of commercial lines of business, which are limited to Micro, Small, and Medium Enterprises (“MSME”). The primary goal of the IMF channel is to extend insurance coverage to rural areas, thereby contributing to inclusive growth in the country.

NUMBER OF INSURANCE MARKETING FIRMS

As per Annual Report published by IRDAI for the Financial Year 2023-24, below are the number of Entities under IMF and their corresponding business during the year 2023-24 :

- 302 NOCs were issued during the year.
- A total of 3,126 NOCs were issued till 31st March, 2024
- 85 Certificate of Registrations were issued during the year

As per recently published report by IRDAI, there are registered 569 IMF who are soliciting and procuring insurance products and each of whom is engaged with 2 life insurers and 1 Non-Life insurer respectively.

BUSINESS PERFORMANCE OF IMFS:

- Under General and Health Insurers:
No. of Policies Sourced- 1,90,822
Premium (in Cr.)- Rs.256.66
- Life Insurers:
No. of Policies Sourced – 23,827
Premium (in Cr.)- Rs.246.36

TIE-UPS WITH INSURERS

IMF shall engage Insurance Sales Persons ("ISP") for the purpose of soliciting and procuring insurance products of maximum of two Life insurers, two General insurers and two Health insurers at any point of time, under intimation to the Authority.

Moreover, IMF are permitted to tie-up with Agriculture Insurance Company of India Ltd. ("AIC") and Export Credit Guarantee Corporation Ltd ("ECGC").

PRODUCTS ALLOWED FOR INSURANCE MARKETING FIRMS

The Insurance Marketing Firm shall be allowed to solicit or procure:

- i. All kinds of products sold on individual and / or retail basis, including crop insurance for non-loanee farmers and combi products.
- ii. Property, group personal accident, group health, GSLI and term insurance policies for MSME. The IMF shall not be allowed to solicit and procure commercial lines of business for any segment except for MSME.

INSURANCE MARKETING FIRMS COMPLIANCES

1. NET-WORTH REQUIREMENTS FOR INSURANCE MARKETING FIRMS

The net-worth of an IMF shall at no time during the period of certificate of registration fall below:

1. Not less than five lakh rupees, if the applicant is opting for only one district, which is an aspirational district.
2. Not less than ten lakh rupees for all other cases.

2. COMPLIANCES OF VARIOUS LAWS

IMF shall comply with IRDAI (Registration of Insurance Marketing Firm) Regulations, 2015 as amended from time to time, IRDAI (Protection of Policyholder's Interests, operations and allied matters of insurers) Regulations, 2024, Insurance Regulatory and Development Authority Act, 1999, Companies Act, 2013 or applicable act as per its constitution and, Circulars, Guidelines and any other instructions issued thereunder from time to time by the Authority.

3. MAINTENANCE OF PROFESSIONAL INDEMNITY (PI) INSURANCE

- i. Every insurance marketing firm shall take out and maintain at all times a professional indemnity insurance cover throughout the validity of the period of the registration granted to it by the Authority.
- ii. Authority shall in suitable cases allow a newly registered insurance marketing firm to produce such a policy within twelve months from the date of issue of original registration and with minimum sum insured of Rs 10 lakhs.
- iii. The limit of indemnity shall be two times the total remuneration of the insurance marketing firm.
- iv. The un-insured excess in respect of each claim shall not exceed five percent of the capital employed by the insurance marketing firm in the business.
- v. The ratio of AOA: AOY shall be 1:1.

Further, the retroactive date shall begin from the date of grant of license/ certificate of registration.

4. MAINTENANCE OF RECORDS

An Insurance Marketing Firm shall maintain the following records in physical form or electronic form or both –

- i. Mandate received from the client;
- ii. Know Your Client (KYC) records of the client, as required under the relevant Authority's guidelines and provisions of The Prevention Money-laundering Act, 2002;
- iii. Copy of the proposal form duly signed by the client and submitted to the insurer duly signed by the IMF;
- iv. A register containing list of the clients, details of policy such as type of policy, premium amount, date of issue of the policy, charges or fees received;
- v. A register containing details of complaints received, name of the complainant, nature of complaints and action taken thereon;
- vi. Any other record as may be specified by the Authority from time to time.

5. FILING OF RETURNS WITH IRDAI

- i. The Insurance Marketing Firm shall set up necessary IT systems with a capability of obtaining and monitoring:
 - a. Payment of minimum wages to the ISP by the Insurance Marketing Firm;
 - b. Details of each ISP on the rolls of the Insurance Marketing Firm unless he ceases to be an ISP of the Insurance Marketing Firm due to death or termination or resignation from the services of the Insurance Marketing Firm subject to informing the same to the Authority within 15 days of such incidence. The IMF shall ensure that there shall be at least one ISP per Office at all times. However, in case of death or termination or sudden exit of an ISP, the IMF must appoint an ISP immediately, but not later than 60 days of death/termination/exit of ISP and provide continuity of services to their existing policyholders without causing any inconvenience.
 - c. Any addition of ISPs shall also be intimated to the Authority within 15 days of the appointment.
- ii. Responsibilities of the insurers towards the Authority

6. RESPONSIBILITIES OF THE INSURER TOWARDS THE AUTHORITY

- i. File with the Authority, annually, a copy of the policy formulated by the company, for utilization of IMFs for penetration of insurance.
- ii. File with the Authority, changes if any made in the policy submitted as stated in clause (i) above, within 15 days of such change with reasons thereof.
- iii. Post issuance of the registration to an IMF, in case the insurer comes to know about any incidence of fraud or violation of code of conduct by the IMF, the insurer shall carry out detailed enquiry into such violation, and submit detailed confidential report to the Authority along with recommendations within 30 days.

7. REMUNERATION AND REWARD TO BE RECEIVED BY AN INSURANCE MARKETING FIRM FROM AN INSURER

- i. The Insurer shall make all remuneration for soliciting and procuring insurance policies undertaken by an Insurance Marketing Firm, to the concerned Insurance Marketing Firm only, and not to any other person or entity
- ii. The payment of remuneration and/ or reward to an Insurance Marketing Firm by an insurer shall be as per Insurance Regulatory and Development Authority of India (Payment of Commission) Regulations, 2023.
- iii. IMF may receive reimbursement of expenses from Life insurers towards recruitment, training and mentoring of their ISPs. This reimbursement shall not exceed 50% of first year commission and 10% of renewal commission received by the IMF in case of Life insurers.
- iv. IMF will also be entitled to collect the 'Applicable Service Charges' from the financial entities for the services rendered by the FSE employed by the Insurance Marketing Firm.
- v. The settlement of accounts by insurers in respect of remuneration of Insurance Marketing Firm shall be done on a monthly basis

8. BOARD APPROVED POLICIES

IMF shall have the following policies:

- i. Grievance Redressal Policy
- ii. Cyber Security Policy
- iii. Corporate Social Responsibility Policy if applicable
- iv. Business Continuity Policy
- v. Anti-Money Laundering Policy
- vi. Anti-Bribery and Anti-Corruption Policy
- vii. Prevention of Sexual Harassment Policy
- viii. Any other policy to comply with provision of law

9. CODE OF CONDUCT FOR INSURANCE MARKETING FIRMS

Every IMF shall abide by the Code of Conduct as specified in Schedule IX of Regulations.

10. VALIDITY OF CERTIFICATE OF REGISTRATION

A Certificate of Registration once issued shall be valid for a period of three years from the date of issue, unless the same is suspended or cancelled.

11. DISCLOSURES TO THE AUTHORITY

IMF shall disclose to the Authority on their own any material change which has a bearing on their certificate of registration within 30 days of such change.

12. APPOINTMENT OF PRINCIPAL OFFICER

- i. Principal Officer" means - means a director or a partner or any officer or employee so designated by it, and approved by the Authority, to exclusively carry out the functions of Insurance Marketing Firm and who possesses the requisite qualifications and practical training and who has passed examination as required under these Regulations.

- ii. IMF Shall designate a Principal Officer who shall be the overall incharge and shall be responsible for regulatory compliance to the Authority.
- iii. The Principal Officer of the Insurance Marketing Firm before seeking a renewal of registration shall have completed at least twenty-five hours of theoretical and practical training, imparted by an institution recognized by the Authority.
- iv. Principal Officer should also fulfil Fit & Proper Criteria mentioned in the Regulation.

13. ENGAGEMENT OF INSURANCE SALES PERSON

- i. Insurance Sales Person is an individual employed by Insurance Marketing Firm to solicit or procure insurance products.
- ii. ISPs of the Insurance Marketing Firm before seeking a renewal of registration shall have completed at least twenty-five hours of theoretical and practical training, imparted by an institution recognized by the Authority
- iii. ISP shall abide by code of conduct as mentioned in the Regulation.
- iv. Every ISP employed by the Insurance Marketing Firm shall be paid a fixed minimum monthly salary as per the applicable laws. Variable pay over and above the fixed monthly salary may also be payable depending on the arrangement between the IMF and the ISP.

14. ENGAGEMENT OF FINANCIAL SERVICE EXECUTIVE (“FSE”)

- i. FSE is an individual employed by Insurance Marketing Firm and holding a valid licence issued by respective financial regulators, other than the Authority, to market products.
- ii. Marketing of other financial products through the FSE engaged by the Insurance Marketing Firm namely:
 - a. mutual funds of mutual fund companies regulated by SEBI;
 - b. pension products regulated by PFRDA;
 - c. other financial products distributed by SEBI licensed Investment Advisors;
 - d. banking/ financial products of banks/ NBFC regulated by RBI;
 - e. non-insurance products offered by Department of Posts, Government of India;
 - f. any other financial product or activity permitted by the Authority from time to time.
- iii. ISP shall abide by code of conduct as mentioned in the Regulation.
- iv. FSE deployed in the Insurance Marketing Firm shall meet the necessary training, qualifications, experience and other requirements as may be specified by the other regulatory/ statutory authorities for the line of activity undertaken on an on-going basis in order to be fully in compliance with applicable law, regulations, rules, guidelines, circulars, etc.
- v. The FSE shall be paid remuneration by the financial entities as per the applicable guidelines of respective regulators.

15. DISTANCE MARKETING

- i. undertaken by the IMF without engaging tele-marketer(s).

- ii. undertaken after obtaining prior approval from the Authority.
- iii. carried out only through ISPs.
- iv. on behalf of those Insurer(s) with whom agreements are entered by IMF for carrying out insurance business activity.

16. DUTIES AND OBLIGATIONS FOR INSURANCE MARKETING FIRMS

Every IMF shall abide by the Duties and obligations as specified in Schedule V of Regulations.

17. HANDLING OF CUSTOMER GRIEVANCES AND COMPLAINTS BY INSURANCE MARKETING FIRM

IRDAI (Protection of Policyholder's Interests, operations and allied matters of insurers) Regulations, 2024 shall apply to both the Insurance Marketing Firm and the ISP jointly and severally.

CONCLUSION

According to S&P Global Market Intelligence data, India is the second-largest insurance technology market in Asia-Pacific, accounting for 35% of the US\$ 3.66 billion Insurtech-focused venture investments made in the country. Insurance market in India is expected to reach US\$ 222 billion by 2026. As per the Insurance Regulatory and Development Authority of India (IRDAI), India will be the sixth-largest insurance market within a decade, leapfrogging Germany, Canada, Italy and South Korea. The Insurance Regulatory and Development Authority India (IRDAI) is vigilant and progressive and is determined to achieve its mission of ‘Insurance for all by 2047’, with aggressive plans to address the industry’s challenges.

REFERENCES:

1. IRDAI (Registration of Insurance Marketing Firm) Regulations, 2015 as amended from time to time.
2. India Brand Equity Foundation (IBEF) (<https://www.ibef.org/industry/insurance-sector-india>)
3. Annual Report published by IRDAI

.....

OPPORTUNITIES IN GIFT CITY & IFSC FOR PRACTICING COMPANY SECRETARIES



CS BHARAT PRAJAPAT
RRBP ADVISORS

The emergence of GIFT City as India's premier International Financial Services Centre (IFSC) has unlocked numerous opportunities for Practicing Company Secretaries (PCS). With its unique regulatory framework, tax benefits, and global connectivity, GIFT IFSC offers PCS a dynamic platform to expand their practice and provide specialized services across diverse sectors.

As India positions itself as a global financial hub, PCS professionals can leverage their expertise in corporate laws, taxation, and regulatory frameworks to become indispensable partners for businesses navigating the complexities of GIFT City.

About GIFT City and IFSC

GIFT City (Gujarat International Finance Tec-City) is India's first operational International Financial Services Centre (IFSC), designed to compete with global financial hubs like Singapore, Dubai, and London. Located in Gandhinagar, Gujarat, it offers world-class infrastructure, a favorable regulatory environment, and tax incentives.

GIFT City comprises a Multi-Specialty SEZ (Special Economic Zone) with relaxed customs and tax rules, a Domestic Tariff Area (DTA) allowing businesses to operate in both SEZ and domestic zones, and state-of-the-art infrastructure with smart city features.

The International Financial Services Centres Authority (IFSCA) serves as the unified regulator for GIFT IFSC, overseeing banking, capital markets, insurance, and fintech. It consolidates powers previously fragmented across RBI, SEBI, IRDAI, and PFRDA, ensuring single-window clearance, business-friendly regulations, and an innovation sandbox for fintech experimentation.

Key Benefits of Operating in GIFT IFSC

- 1. Tax Benefits:** 100% income tax exemption for 10 out of 15 years under Section 80LA, no Dividend Distribution Tax, no Minimum Alternate Tax for companies opting for the new tax regime, and no Security Transaction Tax or Commodity Transaction Tax.
- 2. Regulatory Benefits:** Only place in India allowing offshore transactions in foreign currency without stringent RBI/FEMA restrictions, including foreign currency borrowing/lending, cross-border investments, and international trade settlement.
- 3. Infrastructure Advantages:** State-of-the-art infrastructure at par with global financial centers, including 24/7 operational zone with uninterrupted power supply, high-speed internet, and advanced security systems.

4. Cost Efficiency: Lower operating costs with office leasing costs lower than in Singapore or Dubai, access to skilled professionals at competitive salaries, and reduced regulatory costs.

Entity Setup and Incorporation Advisory

PCS can play a pivotal role in assisting clients with setting up entities in GIFT IFSC. This includes guiding clients through office establishment in GIFT SEZ, name reservation and approval, drafting constitutional documents like MOA, AOA, LLP Deeds, and Trust Deeds tailored to the entity's business model.

Additionally, PCS can facilitate the incorporation of companies, LLPs, or branches of foreign entities, along with obtaining PAN, TAN, and GST registrations. They can also liaise with banks to complete formalities for opening accounts, including those with global brokers for international market access.

Office Establishment

Guiding clients through the process of leasing office space in GIFT SEZ and ensuring compliance with SEZ norms.

Documentation

Preparing Memorandum of Association, Articles of Association, LLP Deeds, and Trust Deeds tailored to the entity's business model.

Registration

Facilitating incorporation and obtaining PAN, TAN, and GST registrations.

Capital Market and Exchange-Related Services

GIFT IFSC provides a robust ecosystem for capital market activities, and PCS can offer specialized services in this domain. These include assisting with IPOs, FPOs, and direct listings on GIFT IFSC exchanges, including compliance with IFSCA and SEBI regulations.

PCS can help entities obtain memberships with global exchanges and clearing agents and manage periodic filings, disclosures, and corporate governance requirements. They can also draft policies and ensure adherence to insider trading norms.



Fund Formation and Regulatory Compliance

PCS can specialize in structuring and compliance for Alternative Investment Funds (AIFs) and other pooled investment vehicles. This includes preparing Trust Deeds, Private Placement Memorandums (PPM), Investment Management Agreements, and Contribution Agreements.

They can assist with the submission of charter documents and obtaining regulatory approvals from IFSCA. Additionally, PCS can ensure adherence to SEBI and IFSCA regulations, including NAV calculations, financial reporting, and investor communications.

1. **Document Preparation:** Drafting Trust Deeds, PPMs, Investment Management Agreements, and Contribution Agreements.
2. **Regulatory Approvals:** Assisting with IFSCA registration and submission of charter documents.
3. **Ongoing Compliance:** Ensuring adherence to regulations, including NAV calculations and financial reporting.

SEZ and IFSCA Regulatory Liaison

Navigating the regulatory landscape of GIFT IFSC requires expertise in SEZ and IFSCA compliances. PCS can facilitate SEZ applications, obtain Letters of Approval (LOA), and manage post-LOA compliances such as bond-cum-legal undertakings and periodic filings (DPR, MPR, SERF).

They can assist entities in securing IFSCA licenses for banking, insurance, fintech, and other financial services. Additionally, PCS can handle duty exemptions, customs bonding, and coordinate with SEZ authorities for smooth clearances.

1. **SEZ Application:** Preparing and submitting applications for SEZ approval.
2. **Letter of Approval:** Obtaining LOA and completing necessary documentation.
3. **IFSCA Licensing:** Securing necessary licenses for various financial services.
4. **Ongoing Compliance:** Managing periodic filings and maintaining regulatory adherence.

Taxation and Cross-Border Advisory

GIFT IFSC Tax Benefits

Advising on tax exemptions, DTAA implications, and structuring cross-border transactions for optimal tax efficiency. PCS can help clients leverage the 100% income tax exemption for 10 out of 15 years and other tax benefits.

GST and Indirect Tax

Assisting with GST registration, return filings, and representing clients in disputes or advance rulings. PCS can help clients navigate the zero GST on domestic procurement and exemptions on offshore services.

International Tax Planning

Structuring overseas investments, joint ventures, and advising on FEMA compliances for Foreign Direct Investment (FDI) and Overseas Direct Investment (ODI). PCS can help clients optimize their international tax structure.

Sector-Specific Opportunities

GIFT IFSC caters to diverse sectors, each offering unique opportunities for PCS. These include banking and insurance, fintech, aircraft and ship leasing, and ancillary services

Banking & Insurance 1

Assisting with NBFC registrations, ECB approvals, and compliance with IFSCA's banking and insurance guidelines.

3 FinTech

Drafting policies, obtaining regulatory approvals, and ensuring compliance with anti-money laundering (AML) norms.

Ancillary Services 2

Supporting foreign universities, IT/ITeS firms, and other ancillary businesses in setting up branches.

4 Leasing

Facilitating aircraft and ship leasing agreements, regulatory approvals, and tax-efficient structuring

Compliance and Audit Services

PCS can expand their practice by offering specialized compliance and audit services. They can conduct internal audits for exchanges, funds, and other entities, including AML/CFT audits. Additionally, they can issue net worth certificates and valuation reports as required by regulators.

PCS can also develop risk management, corporate governance, and operational policies tailored to IFSC entities. Their expertise in compliance and governance makes them valuable partners for businesses operating in GIFT IFSC.

Internal Audits: Conducting audits for exchanges, funds, and other entities, including AML/CFT audits.

Certifications: Issuing net worth certificates and valuation reports as required by regulators.

Policy Development: Creating risk management, corporate governance, and operational policies tailored to IFSC entities.

GIFT IFSC presents a transformative opportunity for PCS to elevate their practice by offering end-to-end advisory, compliance, and liaison services. As the IFSC ecosystem grows, PCS must stay abreast of evolving regulations and seize the chance to contribute to India's vision of becoming a global financial hub.

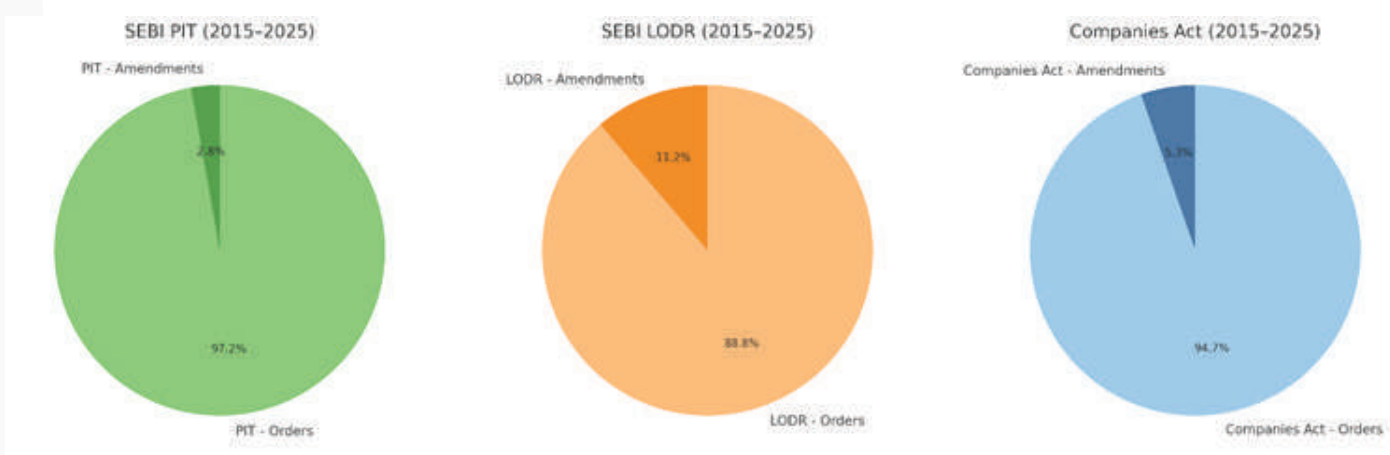
.....

PARTNERING OF PCS WITH CORPORATES – BEYOND CERTIFICATIONS AND OUTSOURCING!

Introduction

Those were the days when company secretaries [whether in practice or employment] used to remember amendments by dates, those were the days when amendments used to require approval of parliament and wrongdoer required trial via long-drawn court process to get convicted.

Cut two, in last 10 years [‘2015-2025’] we have seen 212 amendments in Companies act, 2013 (including act and rules), 38 amendments in Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), regulations, 2015 [‘SEBI LODR’] regulations and 13 amendments in PIT regulations. We have seen 3761 number of orders getting passed by MCA and 300 plus and 450 plus orders passed by SEBI under adjudication process under SEBI LODR and Securities and Exchange Board of India (Prohibition of Insider Trading) regulation 2015 [‘SEBI PIT’] respectively. Pie chart depicting same is specified below:



Evolving expectations and priorities for a knowledge professional

When I started my career 25 years ago, reading and awareness about commentary written by great stalwarts was considered as knowledge and there was a good amount of literature available in commentary format. In the last 10 years so much has changed and law has become so dynamic that the shelf life of any commentary has significantly diminished due to continuous changes in law and therefore focus of professionals should shift from knowing the provisions of law to ability to interpret. However, law kept changing very fast and now interpretation is also not adequate. A professional in the corporate secretarial domain needs to imbibe many more aspects like effective policies, processes, technology, project management, technology etc. to be effective. Practicing company secretary has role to play to help company secretaries in employment to cope with this aspect. A lot of the CS's energy in corporate goes in stakeholder management and therefore there is opportunity for a Practicing Company Secretary [‘PCS’] to assist his fellow friend working in corporate.

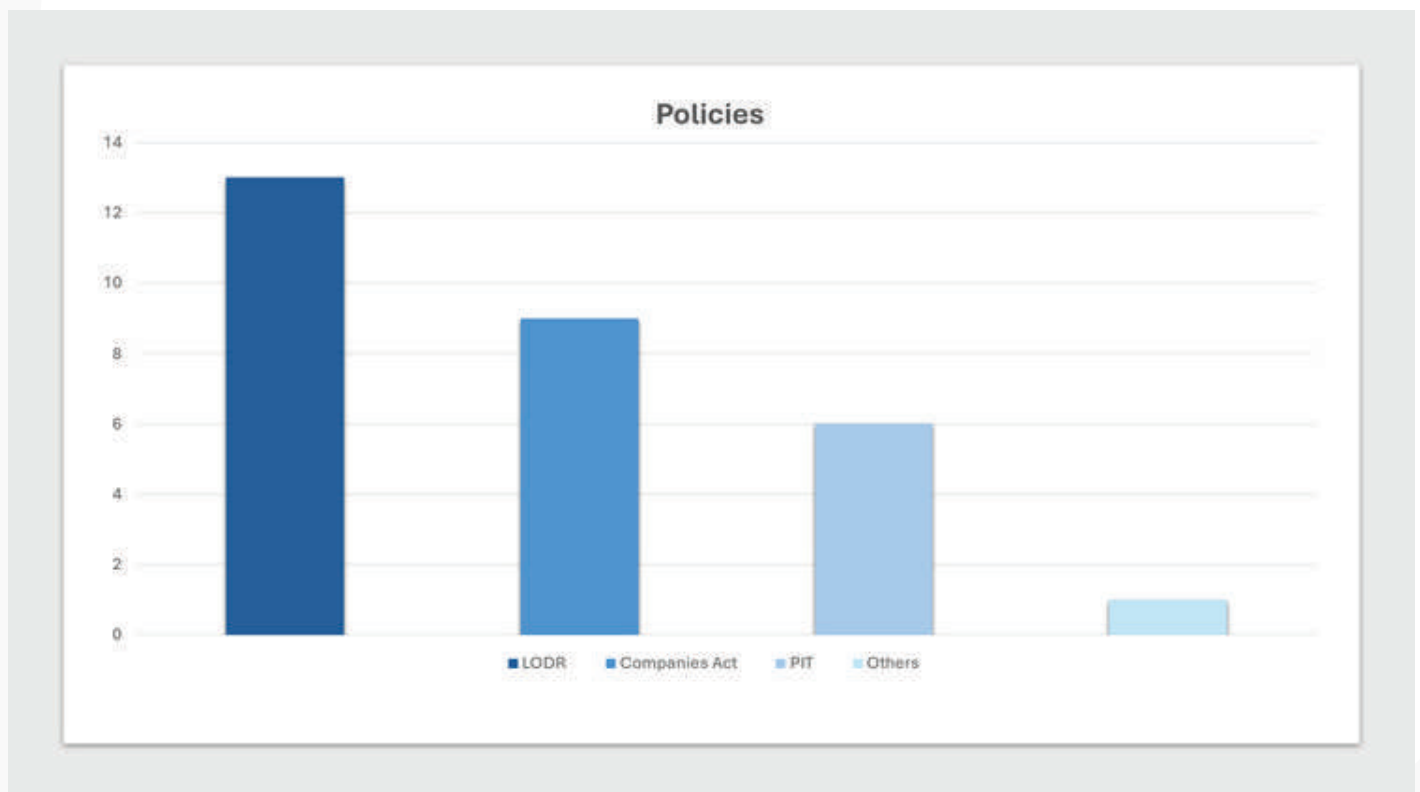
Areas for collaboration – PCS and CS in employment

There are 5 broad areas where PCS can support corporates [apart from audit, attestation, and outsourcing services] –

- Helping in framing, drafting policies, and assessing its impact
- Designing, documenting, reviewing processes
- Helping in getting alignment of internal stakeholders for compliances
- Enabling technological interventions
- Representing and replying to inquiries and scrutiny

Policies and procedures

Under SEBI LODR, 13 policies are required to be adopted by the board of directors of a listed entity. Below chart provides number of policies required to be framed under SEBI LODR, companies act and PIT:



Generally secretarial departments in corporates frame these policies. This is a great opportunity for company secretary to move from just a compliance officer to policy maker and truly occupy the post of one level below board of directors as envisaged under regulation 6 of SEBI LODR. Most of the times these policies lack careful drafting. If thought over well, this is clearly an opportunity to stand out. Good policy framework not only helps to call out understanding of some key terms in corporate laws [where there are multiple meanings eg. What is UPSI or what is start date of UPSI, what is purpose and effect under RPT], it also gives opportunity for board members to clearly reflect what they stand for. For example, in code of conduct for dealing in securities of listed entities by designated persons and their immediate relatives framed under regulation 9(1) of PIT Regulations some companies had mentioned about clear ban on dealing in F & O corresponding to scrips of listed entity. In policy for identification of material subsidiary framed under regulation 16(1)(c) of SEBI LODR some companies had gone beyond statutory requirement of 10 or 20% of consolidated turnover and had

covered even balance sheet items for identification of material subsidiary. Dividend distribution policies of some companies framed under regulation 43A of SEBI LODR clearly give a picture to the investor about philosophy of company to distribute surplus amongst shareholders.

Policies clearly differentiate between a Man and a boy. Policies clearly reflect on depth of secretarial department and even upon board of directors of that company.

Policies also act as defence when it comes to any allegation made by whistle blower or regulator, because the policies are very well thought and within framework of law. In grey areas of interpretation, policies and processes also give reasoning to the decisions made by board and management and thereby charges of arbitrariness or acting in interest of stakeholders get eliminated.

Consistent policies also give freedom, assurance, and protection to management.

A practising company secretary can help corporates in studying data about industry and various companies about Policies. PCS can help corporates to choose appropriate objective/ goal, assess changing outside world v/s internal culture – structure strength of organisation and then accordingly frame policies to achieve objectives. Since these policies can be available to public, these policies will help attract right investors, talent and help alignment of stakeholders faster and longer while mitigating lot of risks.

Processes and Technology

Corporate law [both companies act and SEBI LODR] has become so complex that intention and policies alone cannot get you there. For that we need robust processes and at next level technologically advanced processes. For effective implementation of compliances like related party transactions [RPT] require multiple robust processes. For example – process of identification of related parties, mapping transactions with related parties (directly or indirectly), processes to identify transactions where a Related Party ('RP') can be indirectly benefited, framework for onboarding RPs, processes about ascertaining best interest for company, processes for data collation, processes of reporting, processes of frequent audits, processes of whistle blowers about RPT and many more. These processes collectively become comprehensive compliance management system.

There are quite a few corporates who seek help of professionals in streamlining these processes which are appropriate for them and meeting the expectations of regulators and law makers. PCS has a great opportunity to develop mastery in streamlining these processes and take corporate secretarial functions to various process related accreditations like ISO. Secretarial department doing ISO for it's quality processes and for data protection can give lot of comfort to various stakeholders. In case of any enquiries from regulators about any probable violation of RPT or PIT or CSR or Code of Conducts or Policies, these processes can prove bona fide intention of fiduciaries and can act as ring fence at many times.

Processes, particularly those enhanced by technology, can also bring a lot of ease and comfort about compliances not only to secretarial team but also to board of directors. Imagine that using technology if related party is identified via disclosures from all concerned parties, a dashboard presented to audit committee about this, how reassuring that would be! If via vendor, distributor, employee onboarding processes are tagged, and no vendor/ distributor/ employee can be onboarded if he/ she is RP! Such a comfort giving thing to every fiduciary!! PCS can help in streamlining this and even anchoring this,

further being a custodian of these processes. This can bring lot of credibility to profession and great utility to industry. RPT, PIT, CSR, Whistleblower, board, and committee meeting processes are very demanding, and PCS can bring lot of ease to it.

Stakeholder Engagement

No longer secretarial field can work in isolation. Be it RPT, PIT, SAST, Reg. 30, ESOP, CSR, Meetings, stakeholder engagement – alignment – and responsibility sharing has become a key for performance of company secretary. PCS can help corporates in conducting trainings, communication strategies, KPI framing to take care of these compliances, and propagation of its importance to senior management – executive directors and overall board of directors. Story telling techniques – engaging presentations – communication collaterals – learning management techniques – new generation engaging tools like gamifications / animations / bots can bring lot of acceptability to these efforts and PCS is equipped to help in this as important player.

My experience tells me that with these efforts, perception of senior management towards company secretary profession can change dramatically.

Conclusion

It is a high time PCS must move beyond certification/ attestation/ outsourcing services. PCS should become partner of his fellow in corporate. This partnership between corporate and PCS will bring lot of sustainability in practices, help corporates position well, protect well, attract good investors, bring ease in compliance, and win credibility.

.....

ICSI- WIRC PROGRAM ACTIVITIES FOR THE MONTH OF MAY 2025

(WORKSHOPS /SEMINAR / PROFESSIONAL DEVELOPMENT PROGRAM)

ICSI-WIRC continued its commitment to professional development through a series of impactful programs and study circles during May 2025. The month saw enthusiastic participation from members and students across the region, with topics ranging from governance and compliance to the evolving role of Company Secretaries in data privacy and sustainability.

Sr. no	Activities Conducted	Remark			
1	ICSI-WIRC organized Andheri Knowledge Centre Program on Comprehensive Guide to Preparing Annual Reports: Compliance & Best Practice	ICSI-WIRC in the month of May organized Andheri Knowledge Centre Program on “Comprehensive Guide to Preparing Annual Reports: Compliance & Best Practices” on 04.05.2025 at Mayor Hall, Waterford Building All India Institute of Local Government Building-1, Waterford Building, 3037, CD Barfiwala Road, Zalawad Nagar, Juhu Lane, Yadav Nagar, Andheri West, Mumbai. Sessions were conducted on the following key areas – <table border="1"> <tr> <td>04.05.2025</td><td>Comprehensive Guide to Preparing Annual Reports: Compliance & Best Practices</td><td>CS Anoop Deshpande CS and Compliance Officer Sun Pharmaceutical Industries Limited</td></tr> </table> This Program was organised in Physical mode and was attended by 82 delegates.	04.05.2025	Comprehensive Guide to Preparing Annual Reports: Compliance & Best Practices	CS Anoop Deshpande CS and Compliance Officer Sun Pharmaceutical Industries Limited
04.05.2025	Comprehensive Guide to Preparing Annual Reports: Compliance & Best Practices	CS Anoop Deshpande CS and Compliance Officer Sun Pharmaceutical Industries Limited			
2	ICSI-WIRC organized Borivali Knowledge Centre Program on Critical issues in various modes of fund raising and recent adjudications orders on the same	ICSI-WIRC in the month of May organized Borivali Knowledge Centre Program on “Critical issues in various modes of fund raising and recent adjudications orders on the same” on 09.05.2025 at Radha Krishna Hotel, Sunplaza Shopping Centre, Opp. Diamond Talkies, L. T. Road, Borivali West, Mumbai. Sessions were conducted on the following key areas – <table border="1"> <tr> <td>09.05.2025</td><td>Critical issues in various modes of fund raising and recent adjudications orders on the same</td><td>CS Anshu Agrawal Practising Company Secretary Mumbai</td></tr> </table> This Program was organised in Physical mode and was attended by 82 delegates.	09.05.2025	Critical issues in various modes of fund raising and recent adjudications orders on the same	CS Anshu Agrawal Practising Company Secretary Mumbai
09.05.2025	Critical issues in various modes of fund raising and recent adjudications orders on the same	CS Anshu Agrawal Practising Company Secretary Mumbai			
3	ICSI-WIRC organized Ghatkopar Knowledge Centre Program on Data Privacy, Governance & CS-KMP: Regulations, Provisions & Prospects	ICSI-WIRC in the month of May organized Borivali Knowledge Centre Program on “Data Privacy, Governance & CS-KMP: Regulations, Provisions & Prospects” on 14.05.2025 at AV Room, 1st Floor, Shrimati Bhuriben Laxmichand Golvala, Auditorium, Cama Lane End, Ghatkopar West, Mumbai. Sessions were conducted on the following key areas – <table border="1"> <tr> <td>14.05.2025</td><td>Data Privacy, Governance & CS-KMP: Regulations, Provisions & Prospects</td><td>CS Atul Juvle Sr. GRC Advisor & Independent Director</td></tr> </table> This Program was organised in Physical mode and was attended by 35 delegates.	14.05.2025	Data Privacy, Governance & CS-KMP: Regulations, Provisions & Prospects	CS Atul Juvle Sr. GRC Advisor & Independent Director
14.05.2025	Data Privacy, Governance & CS-KMP: Regulations, Provisions & Prospects	CS Atul Juvle Sr. GRC Advisor & Independent Director			

Sr. no	Activities Conducted	Remark		
4	ICSI-WIRC as associate partner with IOD Western Region organised Seminar on Governance and Growth through Reputation: Insights from Maharashtra	ICSI-WIRC as associate partner with Institute of Directors (IOD) Western Region organised Seminar on the theme "Governance and Growth through Reputation: Insights from Maharashtra" on Saturday, 24th May 2025 at BSE International Convention Hall, Mumbai.		
		Sessions were conducted on the following key areas –		
		24.05.2025	Governance and Growth through Reputation: Insights from Maharashtra	Mr. P Velrasu, IAS, Chief Executive Officer, Maharashtra Industrial Development Corporation (MIDC) Ms. Sushri Kamala K Chief Regulatory Officer, BSE Limited Mr. V S Sundaresan Executive Director, Securities and Exchange Board of India (SEBI) Mr. Arun Raste MD & CEO, NCDEX Mr. Nitin Chugh Deputy Managing Director, State Bank of India (TBC) Mr. Vikram Kumar, IAS, Additional Metropolitan Commissioner -I & Project Director, MUTC, MMRDA (TBC) Mr. Shantanu Goel, IAS, JMD CIDCO (TBC) Dr. Prashant Narnaware, IAS, Secretary to the Governor Mr. Neeraj Jha, Brand Reputation & Corporate Image Strategist Mr. A.V Seshadrinathan, Managing Director, Basiz Fund Service Private Limited Mr. Alessandro Giuliani, Managing Director SDA Bocconi Asia Center Mr. Ratan Kesh, Executive Director & COO Bandhan Bank (TBC) Ms. Satinder Kaur CEO & Founder, Skaur & Former Internal Ombudsman, Tata Capital
This Program was through Physical mode.				

ICSI- WIRC STUDY CIRCLE MEETING ACTIVITIES FOR THE MONTH OF MAY 2025

Sr. no	Activities Conducted	Remark			
1	Kandivali Study Circle of the ICSI organized Study Circle Meeting on CS-KMP V/S General Counsel V/S Compliance Officer Road Map-2030	Kandivali Study Circle of the ICSI in the month of May organized Study Circle Meeting on “CS-KMP V/S General Counsel V/S Compliance Officer Road Map-2030” on 04.05.2025 at Sarovar Banquet Hall, 2nd Floor, Payyade International Hotels Pvt. Ltd, Vasanji Lalji Road, Near Railway Station Kandivali (West), Mumbai. Sessions were conducted on the following key areas – <table border="1"> <tr> <td>04.05.2025</td><td>CS-KMP V/S General Counsel V/S Compliance Officer Road Map-2030</td><td>CS Anoop Deshpande CS and Compliance Officer Sun Pharmaceutical Industries Limited</td></tr> </table> The Study Circle Meeting was organised in Physical mode and was attended by 71 delegates.	04.05.2025	CS-KMP V/S General Counsel V/S Compliance Officer Road Map-2030	CS Anoop Deshpande CS and Compliance Officer Sun Pharmaceutical Industries Limited
04.05.2025	CS-KMP V/S General Counsel V/S Compliance Officer Road Map-2030	CS Anoop Deshpande CS and Compliance Officer Sun Pharmaceutical Industries Limited			
2	Adani (Corporate) Study Circle of the ICSI for members on Board Governance & Business Sustainability	Adani (Corporate) Study Circle of ICSI in the month of May organised Program on “Board Governance & Business Sustainability” on 08.05.2025 at Adani Corporate House, 4th Floor, Lecture Room, Shantigram, Ahmedabad. Sessions were conducted on the following key areas – <table border="1"> <tr> <td>08.05.2025</td><td>Board Governance & Business Sustainability</td><td>CS Rajesh Tarpara Central Council Member, ICSI & Practicing Company Secretary CS Puneet Bansal Group Head Secretarial, Adani Group</td></tr> </table> The Study Circle Meeting was organised in Physical mode and was attended by 43 delegates.	08.05.2025	Board Governance & Business Sustainability	CS Rajesh Tarpara Central Council Member, ICSI & Practicing Company Secretary CS Puneet Bansal Group Head Secretarial, Adani Group
08.05.2025	Board Governance & Business Sustainability	CS Rajesh Tarpara Central Council Member, ICSI & Practicing Company Secretary CS Puneet Bansal Group Head Secretarial, Adani Group			
3	Aditya Birla Group (Corporate) Study Circle of ICSI on Best Corporate Secretarial Practices across applicable laws for Listed Entities	Aditya Birla Group (Corporate) Study Circle of ICSI in the month of May organised Program on “Best Corporate Secretarial Practices across applicable laws for Listed Entities” on 21.05.2025 21st Floor, One Unity Centre, Prabhadevi, Mumbai. Sessions were conducted on the following key areas – <table border="1"> <tr> <td>21.05.2025</td><td>Best Corporate Secretarial Practices across applicable laws for Listed Entities</td><td>Mr. Ajay Agarwal Company Secretary, HDFC Bank Limited Mr. Bharat Vasani Senior Advisor Corporate Laws, Cyril Amarchand Mangaldas Mr. Rajendra Chopra Company Secretary, Cipla Limited Ms. Savithri Parekh Company Secretary, Reliance Industries Limited</td></tr> </table> The Study Circle Meeting was organised in Physical mode and was attended by 68 delegates.	21.05.2025	Best Corporate Secretarial Practices across applicable laws for Listed Entities	Mr. Ajay Agarwal Company Secretary, HDFC Bank Limited Mr. Bharat Vasani Senior Advisor Corporate Laws, Cyril Amarchand Mangaldas Mr. Rajendra Chopra Company Secretary, Cipla Limited Ms. Savithri Parekh Company Secretary, Reliance Industries Limited
21.05.2025	Best Corporate Secretarial Practices across applicable laws for Listed Entities	Mr. Ajay Agarwal Company Secretary, HDFC Bank Limited Mr. Bharat Vasani Senior Advisor Corporate Laws, Cyril Amarchand Mangaldas Mr. Rajendra Chopra Company Secretary, Cipla Limited Ms. Savithri Parekh Company Secretary, Reliance Industries Limited			

Sr. no	Activities Conducted	Remark			
4	Sangli Study Circle of the ICSI organized Study Circle Meeting on The Role of AI in Transforming the Company Secretary Profession	Sangli Study Circle of the ICSI in the month of May organized Study Circle Meeting on “The Role of AI in Transforming the Company Secretary Profession” on 30.05.2025 at Sarovar Banquet Hall, 2nd Floor, Payyade International Hotels Pvt. Ltd, Vasanji Lalji Road, Near Railway Station Kandivali (West), Mumbai. Sessions were conducted on the following key areas – <table border="1"> <tr> <td>30.05.2025</td><td>The Role of AI in Transforming the Company Secretary Profession</td><td>CS Dr. Krishnat H. Chougale – Kolhapur</td></tr> </table> The Study Circle Meeting was organised in Physical mode.	30.05.2025	The Role of AI in Transforming the Company Secretary Profession	CS Dr. Krishnat H. Chougale – Kolhapur
30.05.2025	The Role of AI in Transforming the Company Secretary Profession	CS Dr. Krishnat H. Chougale – Kolhapur			
5	H. T. Parekh Marg (Corporate) Study Circle of the ICSI on ESG - Guidance and Best Practices - BRSR	H. T. Parekh Marg (Corporate) Study Circle of the ICSI in the month of May organised Program on “ESG - Guidance and Best Practices - BRSR” on 21.05.2025 at HDFC House, H.T. Parekh Marg, 165-166, Backbay Reclamation, Churchgate, Mumbai-400 020. Sessions were conducted on the following key areas – <table border="1"> <tr> <td>30.05.2025</td><td>ESG - Guidance and Best Practices - BRSR</td><td>Mr. Shailesh Tyagi Partner - Deloitte Touche Tohmatsu India LLP</td></tr> </table> The Study Circle Meeting was organised in Physical mode.	30.05.2025	ESG - Guidance and Best Practices - BRSR	Mr. Shailesh Tyagi Partner - Deloitte Touche Tohmatsu India LLP
30.05.2025	ESG - Guidance and Best Practices - BRSR	Mr. Shailesh Tyagi Partner - Deloitte Touche Tohmatsu India LLP			
6	Jamnagar Study Circle of the ICSI organised Study Circle Meeting on Practical Application of AI in Corporate Secretarial Practice	Jamnagar Study Circle of the ICSI in the month of May organized Study Circle Meeting on “Practical Application of AI in Corporate Secretarial Practice” on 31.05.2025 from 6.00 PM to 8.30 PM at 2nd Floor, Vidhya Sagar College, Silver Plaza, P. N. Marg, 7 Patel Colony, Above Kabhi B Backery, Jamnagar, Gujarat 361008. Sessions were conducted on the following key areas – <table border="1"> <tr> <td>10.05.2025</td><td>Practical Application of AI in Corporate Secretarial Practice</td><td>CA Nilay Popat (FCA., DISA, Forensic Auditor)</td></tr> </table> The Study Circle Meeting was organised in Physical mode.	10.05.2025	Practical Application of AI in Corporate Secretarial Practice	CA Nilay Popat (FCA., DISA, Forensic Auditor)
10.05.2025	Practical Application of AI in Corporate Secretarial Practice	CA Nilay Popat (FCA., DISA, Forensic Auditor)			

ICSI- WIRC STUDENT TRAINING PROGRAMMES AND OTHER ACTIVITIES FOR THE MONTH OF MAY 2025

Sr. no	Activities Conducted	Remark
1	ICSI-WIRC organized Student Training Program during the month of May 2025	1. 1st Batch of Three Days Orientation Program (TDOP) for Executive Students from May 23, 2025 to May 25, 2025. 2. 58th Batch of 15 Days Classroom Mode Executive Development Program (EDP) was organised for the student of ICSI enrolled for Executive level from April 28, 2025 to May 17, 2025. 3. 29th Batch of 15 Days (Non-Residential) Class Room Mode Corporate Leadership Development Program (CLDP) was organized for the Professional / Final Passed Students of ICSI from April 22, 2025 to May 09, 2025. 4. 30th Batch of 15 Days (Non-Residential) Class Room Mode Corporate Leadership Development Program (CLDP) was organized for the Professional / Final Passed Students of ICSI from May 27, 2025 to June 13, 2025. 5. 9th Batch of 15 Days (Webinar/Virtual Mode) Corporate Leadership Development Program (CLDP) was organized for the Professional / Final Passed Students of ICSI from May 15, 2025 to May 30, 2025 through virtual mode.
2	ICSI-WIRC organized Mega Career Fair during the month of May 2025	ICSI-WIRC also participated in the Mega Career Fair 2025 hosted by Moonstar Global School & Junior College, Mumbra, Thane, held on May 18, 2025 at Sania Celebration Hall. The initiative aimed at creating awareness among school and junior college students about the Company Secretary profession and its opportunities.

ICSI- WIRC PROGRAM ACTIVITIES FOR THE MONTH OF JUNE 2025

(WORKSHOPS /SEMINAR / PROFESSIONAL DEVELOPMENT PROGRAM)

June 2025 was celebrated as the PCS Month by ICSI-WIRC, marked with insightful programs, competitions, and community engagement. WIRC organized professional development sessions and study circles focused on current regulatory themes. In celebration of PCS Day, WIRC also hosted:

- Opinion Writing Competition
- Petition Writing Competition

These initiatives received enthusiastic participation and highlighted the critical thinking and advocacy skills of Company Secretaries.

Sr. no	Activities Conducted	Remark			
1	ICSI WIRC organized PCS Day Celebration Program on the theme "Dynamic Regulatory Landscape: CS@Excelling Strategies"	ICSI-WIRC in the month of June organized PCS Day Celebration Program on the theme "Dynamic Regulatory Landscape: CS@Excelling Strategies" on 21.06.2025 at Mayor Hall, Waterford Building All India Institute of Local Government Building-1, Waterford Building, 3037, CD Barfiwala Road, Zalawad Nagar, Juhu Lane, Yadav Nagar, Andheri West, Mumbai. Sessions were conducted on the following key areas – <table border="1"> <tr> <td>21.06.2025</td><td>Dynamic Regulatory Landscape: CS@Excelling Strategies</td><td> CS Makarand Joshi, Practicing Company Secretary, MMJC & Co, Mumbai CS A Sekar, Practicing Company Secretary, Mumbai CS Anant Amdekar, Practicing Company Secretary, Mumbai CS Amita Desai, Practicing Company Secretary, Mumbai CS Jayshree Joshi, Practicing Company Secretary, Mumbai </td></tr> </table> This Program was organised in Physical mode and was attended by 82 delegates.	21.06.2025	Dynamic Regulatory Landscape: CS@Excelling Strategies	CS Makarand Joshi, Practicing Company Secretary, MMJC & Co, Mumbai CS A Sekar, Practicing Company Secretary, Mumbai CS Anant Amdekar, Practicing Company Secretary, Mumbai CS Amita Desai, Practicing Company Secretary, Mumbai CS Jayshree Joshi, Practicing Company Secretary, Mumbai
21.06.2025	Dynamic Regulatory Landscape: CS@Excelling Strategies	CS Makarand Joshi, Practicing Company Secretary, MMJC & Co, Mumbai CS A Sekar, Practicing Company Secretary, Mumbai CS Anant Amdekar, Practicing Company Secretary, Mumbai CS Amita Desai, Practicing Company Secretary, Mumbai CS Jayshree Joshi, Practicing Company Secretary, Mumbai			
2	ICSI-WIRC organized Andheri Knowledge Centre Program on Managerial Remuneration under the Companies Act	ICSI-WIRC in the month of June organized Andheri Knowledge Centre Program on "Managerial Remuneration under the Companies Act" on 29.06.2025 at Mayor Hall, Waterford Building All India Institute of Local Government Building-1, Waterford Building, 3037, CD Barfiwala Road, Zalawad Nagar, Juhu Lane, Yadav Nagar, Andheri West, Mumbai. Sessions were conducted on the following key areas – <table border="1"> <tr> <td>29.06.2025</td><td>Managerial Remuneration under the Companies Act</td><td> CS Anshul Jain Vice President, Company Secretary & Compliance Officer </td></tr> </table> This Program was organised in Physical mode and was attended by 77 delegates.	29.06.2025	Managerial Remuneration under the Companies Act	CS Anshul Jain Vice President, Company Secretary & Compliance Officer
29.06.2025	Managerial Remuneration under the Companies Act	CS Anshul Jain Vice President, Company Secretary & Compliance Officer			

ICSI- WIRC STUDY CIRCLE MEETING ACTIVITIES FOR THE MONTH OF JUNE 2025

Sr. no	Activities Conducted	Remark			
1	Sangli Study Circle of the ICSI organized Study Circle Meeting on The Role of AI in Transforming the Company Secretary Profession	Sangli Study Circle of the ICSI in the month of May organized Study Circle Meeting on “IPO – Pre-compliances & DPT-3 – Compliances and Filing” on 17.06.2025 at Hotel Ambassador, Hall no. 2, Saraswati Nagar, Sangli – Vishrambag Road, Sangli- 416416. Sessions were conducted on the following key areas – <table border="1"> <tr> <td>17.06.2025</td><td>IPO – Pre-compliances & DPT-3 – Compliances and Filing</td><td>CS Abhay Gulavani – Sangli</td></tr> </table> The Study Circle Meeting was organised in Physical mode.	17.06.2025	IPO – Pre-compliances & DPT-3 – Compliances and Filing	CS Abhay Gulavani – Sangli
17.06.2025	IPO – Pre-compliances & DPT-3 – Compliances and Filing	CS Abhay Gulavani – Sangli			

ICSI- WIRC STUDENT TRAINING PROGRAMMES AND OTHER ACTIVITIES FOR THE MONTH OF MAY 2025

Sr. no	Activities Conducted	Remark
1	ICSI-WIRC organized Student Training Program during the month of June 2025	59th Batch of 15 Days Classroom Mode Executive Development Program was organised for the student of ICSI enrolled for Executive level from June 17, 2025 to July 04, 2025. 60th Batch of 15 Days Classroom Mode Executive Development Program was organised for the student of ICSI enrolled for Executive level from June 12, 2025 to July 01, 2025. 10th Batch of 15 days Corporate Leadership Development Program (CLDP) Webinar Mode) was organized for the Professional / Final Passed Students of ICSI from June 30, 2025 to July 18, 2025.
2	ICSI-WIRC organized International Yoga Day during the month of June 2025	ICSI-WIRC has organised “International Yoga Day” session for the student of the western region on Saturday, June 21, 2025 from 9:30 am to 10:30 Around 25 Students have attended the session.



**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)

Vision

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

Motto

सत्यं वद। धर्मं चर। इदमेवेष्टितं धनं कस्यचित् फलदायकं भवतु।

Mission

"To develop high calibre professionals
facilitating good corporate governance"



COMPANY SECRETARIES BENEVOLENT FUND

Be a proud member of CSBF

The Company Secretaries Benevolent Fund (CSBF) provides safety net to the Company Secretaries who are members of the Fund and their family members in distress.

CSBF

- Registered under the Societies Registration Act, 1860 Recognised under Section 12A of the Income Tax Act, 1961
- Subscription/Contribution to the Fund qualifies for deduction under section 80G of the Income Tax Act, 1961
- Has a membership base of over 17000

ELIGIBILITY : A member of the Institute of Company Secretaries of India (ICSI) is eligible for the membership of the CSBF.

HOW TO JOIN : By making an online application using the link <https://stimulate.icsi.edu/> alongwith one time subscription fee of ₹10,000/-.

BENEFITS

- ₹10,00,000 in the case of death of a member under the age of 60 years
- Upto ₹3,00,000 in the case of death of a member above the age of 60 years
- Upto ₹50,000 per child one time (upto two children) for education of minor children of a deceased member upto the age of 60 years.
- Upto ₹75,000 for medical expenses in deserving cases
- Limited benefits for Company Secretaries who are not members of the CSBF

DONATION : Donation to CSBF can be made online at link www.icsi.in/ICSIDonation

CONTACT : For further information / clarification, please write at email id csbf@icsi.edu or contact on telephone no. 0120-4082135

For more details please visit <https://www.icsi.edu/csbf/home/>