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Tracking of trades of designated persons post resignation.

Background

Securities and Exchange Board of India (Prohibition of Insider Trading), Regulations 2015 [‘SEBI PIT’] does not specify whether trading of designated persons and their immediate relatives needs to be tracked post their resignation. Securities and Exchange Board of India [‘SEBI’] in their FAQs dt: March 31, 2023¹ has at FAQ no. 48 stated that, “*Upon resignation from service of designated person, a company/ intermediary/ fiduciary should maintain the updated address and contact details of such designated person. The company/intermediary/ fiduciary should make efforts to maintain updated address and contact details of such persons for one year after resignation from service. Such data should be preserved by the company/ intermediary/ fiduciary for a period of 5 years*”.

If a designated person is in possession of unpublished price sensitive information at the time of resigning (i.e. at the time of getting relieved from listed company) and that unpublished price sensitive information is not yet made public, then whether trades of such designated persons need to be tracked or as specified by SEBI FAQ only updated address and contact details needs to be kept?

Analysis

As per SEBI FAQ no. 48 as stated above upon resignation updated address and contract details of designated persons needs to be kept for six months. Further name of that designated person would continue to be part of structured digital database maintained under regulation 3(5) of SEBI PIT as he will still be having access to UPSI. So even if a person is relieved from the services of the listed company, he would continue to be in possession of UPSI till that UPSI becomes public. Further post resignation as designated person his PAN would be removed from the facility of mandatory freezing.

This leads to a tricky situation. It is advisable to avoid dealing in securities of listed entity. It also needs to be kept in mind that in such scenarios if the connected person (i.e. designated person who has resigned from the listed entity) deals in the securities of the listed entity then the onus will be on him to justify his dealing in securities of listed entity².

This article is published on Taxguru. The link to the same is as follows

<https://taxguru.in/sebi/tracking-insider-trades-designated-persons-post-resignation.html>

This article is written by **Vallabh Joshi – Senior Manager - vallabhjoshi@mmjc.in**

¹ https://www.sebi.gov.in/sebi_data/faqfiles/apr-2023/1680758865899.pdf

² In the case of connected persons the onus of establishing, that they were not in possession of unpublished price sensitive information, shall be on such connected persons and in other cases, the onus would be on the Board

Start date of Unpublished Price Sensitive Information ('UPSI') – Fund raising activity

Background

UPSI means any information that is likely to materially affect the price of the securities of the company¹. It is important to identify and track UPSI within the organisation to comply with provisions of Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 ['SEBI PIT'] in that regard. Also, persons in possession of UPSI or having access to UPSI are inter-alia required to enter the details of UPSI in Structured Digital Database ['SDD']. To comply with this, it is necessary to identify to start date of UPSI. In this article we will ascertain what would be the start date of UPSI in case of fund-raising activity undertaken by a listed entity.

Precedents on start date of UPSI in case of fund-raising activity.

Change in capital structure by way of fund raising is considered as UPSI. SEBI in its recent adjudication orders² has considered activity of fund raising as UPSI and has also penalised designated persons for dealing in shares during this period. In this regard it becomes pertinent to understand as to when will UPSI start in case of fund-raising activity.

SEBI in its adjudication order in the matter of Shalimar Paints Ltd ['SPL'] had deliberated on this. SPL had initiated preliminary discussions with Ernst and Young (E&Y) on May 18, 2021, to raise funds through issuance of equity and signed a confidentiality agreement dated May 21, 2021. SPL signed the engagement letter with E&Y on September 01, 2021, for identification of potential investors for loan, equity, debt, or a combination thereof. E&Y started identifying potential investors from September 2, 2021, onwards. Further, SPL had signed another non-disclosure agreement with Perigon Consilario LLP (Perigon) on September 02, 2021, to assist it in relation to the potential induction of a financial/ strategic investor. On October 04, 2021, SPL had signed a confidentiality agreement with Hella Infra Market Pvt. Ltd. (Hella), a prospective investor and other potential investors also. SPL further submitted that Hella infra was not the only investor with which confidentiality agreement was signed there were many such potential investors with which SPL had signed confidentiality agreement and at the stage of signing the confidentiality agreement, there exists an uncertainty w.r.t investor getting finalized SPL disclosed to stock exchange on January 18, 2022, that Board of Directors had considered and approved raising of funds through issuance of equity shares and optionally convertible debentures. On receipt of show cause notice alleging start date of trading window closure SPL submitted that the UPSI Period was not the same and as alleged UPSI never existed till January 13, 2022 (i.e., the date on which it had notified exchanges that a board meeting would be held on January 18, 2022, to consider and evaluate proposal for fund raising activity).

In this regard SEBI stated that the date of execution of the engagement letter with E&Y related to proposed fund-raising activity by SPL was start date of UPSI as it was a material information in terms of Regulation 2(1)(n) of SEBI PIT. UPSI conspicuously came into existence on September 01, 2021, as the said information was not generally available information. SEBI further stated that UPSI ceased to be in existence when SPL informed the stock exchanges on January 18, 2022, that its board of directors had considered and approved raising of funds through issuance of equity shares and optionally convertible debentures. At this stage of signing the confidentiality agreement, there exists an uncertainty w.r.t investor getting finalized.

SEBI in the matter of DEN Networks Ltd ['DEN'] also adjudicated in the matter of start date of UPSI. In this case DEN made a corporate announcement on October 13, 2018. DEN inter alia announced that a meeting of the board of directors of DEN shall be held on October 17, 2018, to

¹ "unpublished price sensitive information" means any information, relating to a company or its securities, directly or indirectly, that is not generally available which upon becoming generally available, is likely to materially affect the price of the securities and shall, ordinarily including but not restricted to, information relating to the following: – (i) financial results; (ii) dividends; (iii) change in capital structure; (iv) mergers, de-mergers, acquisitions, delisting, disposals and expansion of business and such other transactions; (v) changes in key managerial personnel.

consider and approve a proposal for raising of funds. Initial discussions between DEN and Reliance Industries Ltd [‘Reliance’] for a potential investment by Reliance in DEN in mid of 2017, however, the said discussions were not pursued. This information relating to raising of funds by DEN got published on BSE and NSE on October 13, 2018. This information had positive impact on the price of the scrip after the announcement. SEBI further stated that UPSI (announcement regarding fund raising by DEN) came into existence on August 08, 2018, when discussions between the officials of DEN and Reliance was initiated. Accordingly, UPSI came into existence on August 08, 2018, and remained unpublished till the date of announcement by DEN on October 13, 2018.

In case of SPL SEBI stated that date of execution of agreement with E&Y for identification of potential investors. In case of DEN Networks Ltd it was held that official discussion between DEN and Reliance was start date of UPSI. Hence it is seen that in case of fund-raising different view was taken with respect to start date of UPSI in two different cases.

What can be the start date of UPSI?

BSE and NSE vide its circular dt: October 28, 2022, had stated that UPSI germinates when the information starts taking shape of a price-sensitive information i.e. where the probability of going ahead with the information/concerned event is higher than not going ahead and such information is likely to “materially” affect the prices of the securities of the company when published, sharing of such information shall be recorded in the Database. Further SEBI in its order dt: June 30, 2021, in case of Biocon Ltd¹ has held that, “*However, it may be noted that there exists a distinction between the timelines when the parties to a transaction have opened discussions, UPSI period and the final signing. During the former, the parties are still exploring the possibilities of a potential transaction between them. Thus, the discussions are exploratory in nature and the information generated at this stage is imprecise in nature, without a reasonable probability of the transaction going through and without any specific details. Juxtapose this with the UPSI period. Discussions during UPSI period starts with high degree of crystallization and proceeds towards a greater degree of crystallization with a reasonable probability of the transaction going through*”. Hence for every transaction start date of UPSI would differ.

Conclusion

Start date of UPSI would differ for various types of fund-raising transaction (viz. private placement, preferential allotment, rights issue etc.). In accordance with principle as stated by SEBI in its adjudication order of Biocon Ltd, UPSI starts at a stage where the probability of going ahead with the transaction or event is more than not going ahead with the transaction. For different types of fund-raising this stage would differ in accordance with the structure of the organization, approvals required etc.

In certain types of fund-raising (viz. private placement, preferential allotment) there comes a stage where the investor is identified. Prior to identification of investor, discussions around fund raising are exploratory in nature as there is no clarity as to who will buy, what price, when, in what form etc. Discussions around fund raising would reach a level of crystallization only once an investor has been identified. Then it would move further with the intent of raising funds. So, this stage (viz. identification of investor) may atleast be considered as the start date of UPSI in case of fund raising through private placement or preferential allotment.

This article is published in Taxmann. The link to the same is as follows:

<https://www.taxmann.com/research/company-and-sebi/top-story/10501000000024825/start-date-of-unpublished-price-sensitive-information-upsi-%E2%80%93-fund-raising-activity-experts-opinion>

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¹ https://www.sebi.gov.in/enforcement/orders/jun-2021/order-in-respect-of-mr-shreehas-p-tambe-in-the-matter-of-biocon-ltd-_50830.html



Implications of not carrying out business activities as per Memorandum of Association (MOA)

Section 4 of the Companies Act 2013 (Act) requires a company's Memorandum of Association (MOA) to state the purpose for which the company is incorporated and any matters deemed necessary to facilitate the purpose of the company. These objects are specified in the object clause of the company's MOA. This clause is the most important as it enumerates the possible business activities of the company. Any transaction that falls within the scope of the underlying terms is intra vires, but any transaction that does not fall within the scope of the underlying terms is ultra vires. The object clause sets out the scope and extent of the company's power.

This article explores the implications of not carrying out business activities as per the MOA and the associated penalties. We have captured adjudication orders of Registrar of Companies ('ROC') penalising companies for not carrying on business in accordance with provisions of MOA.

I. In the matter of Aegis Lifesciences Private Limited.

This case has been decided by the ROC of Gujarat, on 17th January 2023.

Facts of the Case

- Aegis Lifesciences Private Limited was incorporated in the year 2019 with the object to covert/acquiring/takeover of the existing business, assets and liabilities of Aegis Lifesciences Partnership concern which was run by seven partners. Upon the incorporation of the Aegis Lifesciences Private Limited, the company took over the business of the Aegis Lifesciences Partnership concern by following the due procedure of the law.
- The office of the Commissioner of GST (Audit) vide letter date 10 December 2022 informed that Aegis Life sciences Private Limited and Aegis Lifesciences Partnership concern were still operating and running both partnership firm as well as private limited company using the same GST number even after the change in the constitution of the business at the same premises under different name. Thus, company carried on business activities on in breach of main object number 1 of the company as stated under clause 3A on MOA.
- It was submitted on behalf of the Company that due to the pendency of the issuance of the Management System Certification and EC Certification the company had to continue manufacturing goods under the name of partnership but at the same time all revenue was booked in the name of Aegis Lifesciences Private Limited and Income Tax returns were filed accordingly. Due to such technical/ regulatory difficulties of various countries the directors had to keep the partnership firm working although there was no intension to run two separate entities.

Carrying on business and continuing the operations of the company and as well as partnership firm even after the takeover amounts to activities being carried out for a fraudulent and unlawful purpose and also a breach of main object.

The presiding officer at ROC stated that the company operating /running both partnership firm as well as private limited company under GST even after the change in constitution of the business and breached the object for which the company was formed, and is ultra vires the company and void. Therefore, it is concluded that the company and its officers in default are liable for penalty of Rs 5,000/- each under section 450 of the Act for default under section 10 of the Act.

The above case is a suitable example of the fact that regulatory authorities are conscious of businesses undertaken by the company and mapping the same with their objects clause.

II. In the matter of Eveready Industries India Limited

This case has been decided by ROC Kolkata, on 17 August 2022

Facts of the Case

- The main objects of the company were to deal in diverse range of products ranging from battery, flashlights to home appliances and confectionery and not in any other business activity.
- During the FY 2017 -2018 and FY 2018-19 there was a deviation observed in the business activities of the company. There was sudden and substantial increase in finance cost and interest income of the company which was arising out of financial (borrowing and lending) activities of the company. Further the guarantees/deposits/postdated cheques were provided not out of the free reserves or surplus funds but mainly out of the borrowed funds of the company.
- The above financing activities were not a part of the object clause of the Company, further the Company gave guarantees/deposits /postdated cheques not out of its free reserves or surplus funds but mainly out of borrowed funds of the company.
- Thus, there was a violation of section 13 and Section 4 of the Act.

Company in its reply stated that it is engaged in the business of manufacturing and marketing of dry cell batteries flash lights and lighting products etc. *and that the company was not engaged in any other business activity.* With a view to support the companies belonging to the same promoter group which were in the need of funds the company provided loan given guarantee or provided security in the form of post-dated cheques from time to time. Further the financial activities of the company were a temporary financial arrangement necessitated to mitigate urgent financial needs of the Companies

The ROC Kolkata imposed penalty under section 450 of the Act of Rs 2,00,000 on the company and Rs 50,000/-on every officer who was in default.

Attention needs to be drawn to the fact that the management despite having a clarity of the nature of business (manufacturing and marketing of dry cell batteries) there was a deviation from its main object in order to lend support to any group company. Such deviation also came under the radar of ROC. Thus, such activity of lending might be considered as ultra vires the MOA of a company whose main object is manufacturing and marketing.

Thus, management must keep referring to its object clause so as to avoid such ultra vires acts and penalties.

Conclusion

The ROC's play a vital role in ensuring that companies adhere to their MOA and the regulations outlined in the Act. Above precedents indicate that regulatory authorities viz. Goods and Service Tax authorities, are mapping business activity of companies with their object clause and are checking whether the revenue generated by the companies are aligned to the main object clause of the companies.

Failing to carry out the specified business activities can lead to various penalties, striking off the company's name, and disqualification of directors.

Hence companies should monitor their revenue earning areas on periodic basis in order to ensure that the company operates within the legal framework and does not engage in any activities not stipulated in the MOA.

This article has been published on Taxmann. The link for the same is as follows

<https://www.taxmann.com/research/company-and-sebi/top-story/10501000000024718/implications-of-not-carrying-out-business-activities-as-per-memorandum-of-association-moa-experts-opinion>

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Power of Reserve Bank of India for Compounding Foreign Exchange Management Act (FEMA), 1999 contraventions

In our earlier article published on October 9, 2024¹, we examined the process of compounding, and the modifications brought about by the Compounding Rules, 2024. In this article, we shall evaluate the powers of RBI to compound under FEMA.

The Reserve Bank of India (RBI) till date² issued 466 compounding orders under FEMA during the calendar year 2024. 422 out of the mentioned 466 orders pertain to contraventions involving Foreign Direct Investment followed by ODI, LO/BO/PO, ECB and others.

Analysis of the compounding orders issued:

Sr. No.	Contravention/ Compounding order pertaining to	No. of compounding orders issued
1	Foreign Direct Investment(FDI)	422
2	Overseas Direct Investment(ODI)	25
3	LO/ BO/ PO	13
4	External Commercial Borrowing(ECB)	3
5	Others (Current Account Transactions, Foreign Currency Accounts)	3

The Compounding applications involving different contraventions under FDI are dealt by the regional offices whereas the Central office has the authority to look into the residuary cases. The powers of RBI to consider compounding applications are further analysed as below.

Power to Compound by RBI

Section 15 of the FEMA grants the Reserve Bank of India (RBI) the authority to compound violations under the said Act. The Regional office shall have the power to look into contraventions pertaining to FDI, whereas compounding applications on other contraventions shall be issued by central office.

The concerned **Regional offices** are empowered to review and issue compounding orders for below contraventions:

Sr. No.	Contravention	Whether option for regularisation by payment of LSF available ³
1	Delay in reporting of receipt of remittances in Form Advance Remittance Form (ARF)	No
2	Delay in reporting of allotment of shares to non-residents in Form FC GPR	Yes, in case of delay does not exceed period of 3 years

¹ https://taxguru.in/rbi/rbi-digitizes-compounding-process-fema-1999.html#google_vignette

² till date shall mean upto September 21, 2024

³ While the contraventions under the Act need to be compounded, A.P. (DIR Series) Circular No.16 dated September 30, 2022 also provides for option to regularise by payment of late filing fees in accordance with the circular

3	Delay in submission of Annual Return on Foreign Liabilities and Assets (FLA)	Yes, in case of delay does not exceed period of 3 years
4	Delay in issue of shares/refund of share application money beyond 180 days, mode of receipt of funds	No
5	Violation of pricing guidelines including failure to obtain valuation report as per Rules/ Regulations, failure to issue shares in accordance with the fair value	No
6	Issue of ineligible instruments such as non-convertible debentures, partly paid shares, shares with optionality clause, etc.	No
7	Issue of shares/ capital contribution in case of LLP without obtaining approval of RBI or FIPB respectively, wherever required	No
8	Delay in reporting transfer of shares in form FC-TRS (including reporting of buy back/ capital reduction/ esop through trust route) on transfer of shares from Resident to Non-Resident and vice versa	Yes, in case of delay does not exceed period of 3 years
9	Taking transfer on record prior to approval of Form FC TRS	No
10	Delay in Intimation of Downstream Investment to FIFP/ SIA or submission of Form DI	Yes, in case of delay does not exceed period of 3 years
11	Delay in reporting of receipt or repatriation of capital contribution in LLP i.e form LLP I/ LLP II	Yes, in case of delay does not exceed period of 3 years
12	Failure to obtain approval for gift of shares to non residents	No

Further, the application for the compounding of the contraventions listed below shall be submitted to the **Central Office**, RBI, New Delhi:

Sr. No.	Contraventions
1	Contravention pertaining to acquisition and transfer of immovable property outside India
2	Contravention pertaining to acquisition and transfer of immovable property in India
3	Contravention pertaining to establishment in India of branch or office or other place of business
4	Contravention pertaining to Deposit Regulations

Any other applications for compounding of contraventions (including contraventions pertaining to provisions/ delay in reporting under Overseas Direct Investment or External Commercial Borrowing) shall be submitted with Cell for Effective Implementation of FEMA (CEFA), Central office, Mumbai. Delay in reporting of transactions under ODI and ECB framework shall have an option for regularisation as per A.P. (DIR Series) Circular No.16 dated September 30, 2022.

The Compounding Rules, 2024 also revised the authority of RBI officers to look into the compounding applications in order to ensure effective disposal of applications. Violation of provisions of the FEMA, 1999 shall be accordingly compounded by the following officers RBI.

Sum Involved in Contravention	Compounding officer, RBI
Does not exceed sixty lakh rupees	Officer not below the rank of the Assistant General Manager
Does not exceed two and a half crore rupees	Officer not below the rank of the Deputy General Manager
Does not exceed five crore rupees	Officer not below the rank of the General Manager
Above five crore rupees,	Officer not below the rank of the Chief General Manager

Contraventions not to be compounded:

The Compounding Rules outline specific circumstances under which compounding is not permitted. Applicants shall be ineligible for compounding in following cases:

1. Cooling off period of 3 years not expired

Contravention committed by any person within a period of three years from the date on which a similar contravention committed by him was compounded under the rules shall not be eligible for compounding.

2. Pendency of requisite administrative action

The applicant shall be required to complete any administrative action prior to submission of compounding application including obtaining requisite approvals, completion of reporting requirements, adhering to regulatory directions if any.

3. Where the amount involved is not quantifiable

4. Contravention detrimental to the integrity and sovereignty of India

An applicant shall not be eligible for compounding where the Directorate of Enforcement is of the view that the proceeding relates to a serious contravention suspected of money-laundering, terror financing or affecting the sovereignty and integrity of the nation

5. Where the Adjudicating Authority has already passed an order imposing penalty under section 13 of the Act; or the contravention involved requires further investigation.

Compounding applications shall be required to be submitted with the regional or central office of RBI depending on the authority of RBI. While the regional offices are empowered to look into the contraventions pertaining to FDI, the central office shall look into any other contraventions pertaining to ODI, LO/BO/PO or ECB. Submission of compounding applications with competent authority shall be essential for regularisation of contravention by compounding failing which the applications can be returned to the applicant without being processed by RBI.

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<https://taxguru.in/rbi/power-reserve-bank-india-compound-fema-1999-contraventions.html>

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Embracing Diversity and Gender equality: A Catalyst for Viksit Bharat's Inclusive Progress

Introduction

Gender equality lies at the core of this transformative agenda, recognizing that inclusive growth can only be achieved when all segments of society are empowered. This paradigm shift towards gender equality encompasses not just economic opportunities but also social and political inclusion, ensuring that women, persons with disabilities, the LGBTQ+ community, and marginalized groups are given equal access to resources, opportunities, and rights. By fostering an environment of equal treatment, dignity, and respect, India paves the way for sustainable and inclusive growth, where every individual can contribute meaningfully to the nation's progress.

Empowering Viksit Bharat through the lens of gender equality aligns profoundly with the ancient **Indian philosophy of Vasudhaiva Kutumbakam, which translates to "the world is one family."** This ethos encapsulates the idea that everyone, regardless of gender, background, or identity, is interconnected and deserves equal opportunities and rights. By embracing this principle, Viksit Bharat endeavours to foster an inclusive environment where diversity is celebrated, and every individual's potential is harnessed for collective growth. This inclusive approach not only aligns with our cultural heritage but also propels us towards a more equitable and prosperous society where everyone contributes to and benefits from the nation's progress.

At the World Economic Forum's annual meeting in Davos, Switzerland from January 15 to 19, 2024ⁱ, India actively participated with a vision deeply rooted in the principle of "Vasudhaiva Kutumbakam," embracing a shared global destiny founded on cooperation and unity. This ethos resonated with the overarching theme of the forum for the year, 'Rebuilding Trust.' India's enduring commitment to Vasudhaiva Kutumbakam, encapsulating the idea of '**One Earth, One Family, One Future,**' along with its ongoing efforts towards inclusive development through "**Sabka Saath, Sabka Vikas, and Sabka Prayas,**" positions the 'Alliance for Global Good - Gender Equity and Equality' as a formidable advocate for all gender-related issues on the global stage.

Alliance for Global Good - Gender Equity and Equalityⁱⁱ

One of the pivotal outcomes of the Forum meeting was the unveiling of a groundbreaking initiative, the "Global Good Alliance for Gender Equity and Equality," backed by the World Economic Forum (WEF) and the Government of India.

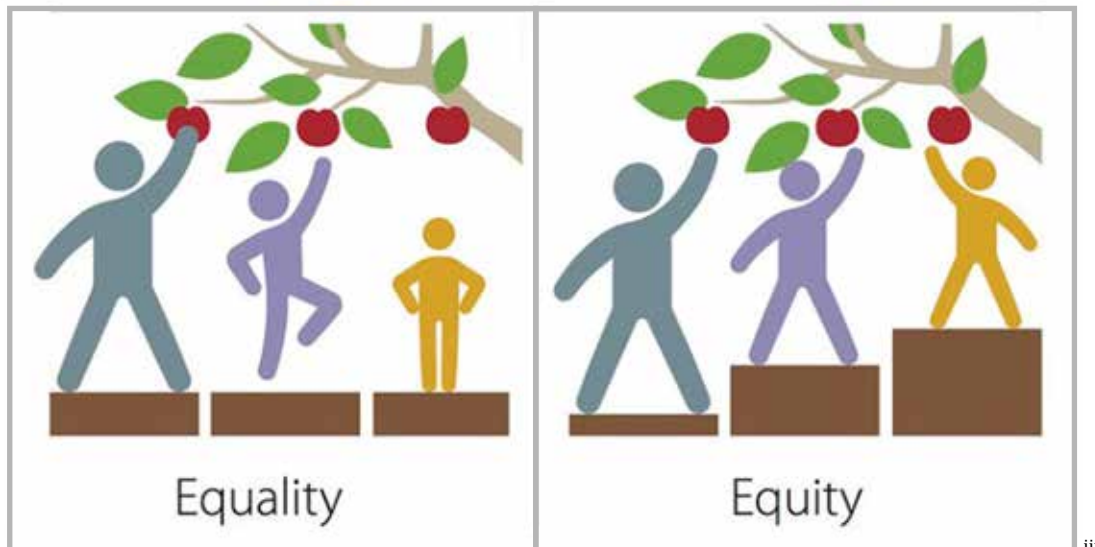
This alliance stemmed from the G20 Leaders' Declaration and aligns with India's steadfast commitment to fostering women-led development, championed by Prime Minister Shri Narendra Modi.

The primary aim of this pioneering Alliance is to amalgamate global best practices, promote knowledge exchange, and channel investments into critical areas such as women's health, education, and entrepreneurship.

Building on the commitments outlined by the G20 leaders, the Alliance serves as a proactive follow-up to the activities of key engagement groups within the G20 framework, including the Business 20, Women 20, and G20 EMPOWER. Noteworthy industry leaders such as Mastercard, Uber, Tata, TVS, Bayer, Godrej, Serum Institute of India, IMD Lausanne, along with over 10,000 industry partners, have thrown their weight behind this initiative, signaling a collective drive towards meaningful change and empowerment on a global scale.

The impact of this alliance is poised to be transformative, with immediate actionable steps focusing on enhancing women's access to quality healthcare, education, and opportunities in the business sphere. India Inc. is expected to play a pivotal role in driving these initiatives forward,

leveraging their resources, expertise, and influence to create tangible outcomes that advance gender equity and equality on a global stage. The expectation from India Inc. is to not only contribute financially but also actively engage in knowledge-sharing, innovation, and advocacy to propel the Alliance's objectives towards fruition.



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Equality and equity are two distinct concepts that are often used interchangeably but hold different meanings in the context of fairness and justice. Equality refers to the state of being equal, where everyone is treated the same and has access to the same resources, opportunities, and rights. It focuses on uniformity and sameness among individuals or groups.

On the other hand, equity goes beyond equality by recognizing and addressing the diverse needs and circumstances of individuals or groups. It involves ensuring fairness and justice by providing resources, opportunities, and support based on specific needs, challenges, and historical disadvantages. Equity acknowledges that not everyone starts from the same place or has the same advantages, and therefore, it seeks to level the playing field by addressing systemic barriers and promoting inclusivity.

While equality aims for equal treatment and outcomes for everyone, equity strives for fairness and justice by taking into account the unique circumstances and needs of individuals or groups to achieve a more balanced and inclusive society.

In recent times, there has been a noticeable surge in discussions worldwide regarding gender equality, and businesses are now more than ever at the forefront of instigating transformative shifts. Gender parity has become an essential facet that companies cannot overlook if they aim to cultivate an environment that is both inclusive and geared towards long-term sustainability. It is not just a moral obligation but a strategic necessity for companies aspiring to excel in an increasingly competitive and socially aware market landscape. Prioritizing gender equality not only underscores a company's dedication to social equity but also yields tangible benefits such as heightened employee morale, amplified innovation, and bolstered financial outcomes.

Vision for Viksit Bharat^{iv}

Viksit Bharat, also known as Developed India, epitomizes Prime Minister Narendra Modi's visionary roadmap for the nation, transcending mere rhetoric to embody a comprehensive strategy for national prosperity. Prime Minister Modi envisions a holistic approach that encompasses social progress, technological advancements, and economic reforms, all aimed at elevating India's global standing. This multifaceted vision encompasses not just economic growth but also inclusive development and the integration of cutting-edge technology.

Gender equality is not just a lofty ideal but a crucial component within the vision of Viksit Bharat. It serves as the foundation of a forward-looking society where every person, regardless of gender, has equal access to rights and opportunities. This inclusivity is vital for leveraging the diverse talents and perspectives of all individuals, leading to increased innovation, productivity, and long-term sustainability. Empowering women and involving them in decision-making roles across various sectors is not only a moral necessity but also a strategic advantage for a country aspiring to achieve comprehensive development and international leadership. When everyone, regardless of gender, is given equal opportunities to thrive, it paves the way for a stronger and more prosperous nation, aligning perfectly with the goals of Viksit Bharat.

The government has rolled out several groundbreaking initiatives aimed at supporting disadvantaged communities, empowering marginalized groups, and expanding access to essential services such as healthcare, education, and social security.

Empowering Equality – Pioneering Diversity & Inclusion

India is witnessing a dynamic transformation in its corporate sector, marked by substantial progress in promoting gender equality within workplaces. Efforts range from elevating the presence of women in leadership positions to introducing policies fostering work-life equilibrium, signifying a shift away from conventional norms towards embracing diversity and inclusivity. Nevertheless, the road to achieving gender parity remains a work in progress, with numerous challenges yet to be addressed. While legislative frameworks like the Disability Rights (Rights of Persons with Disabilities Act & National Trust Act) and Mental Healthcare Act^v, Equal Opportunities Policy^{vi}, Transgender Persons (Protection of Rights) Act, 2019^{vii} among others, provide a foundation, and are effectively implemented across the Indian borders.

An essential facet of propelling gender equality in Indian corporations involves acknowledging that it transcends the traditional binary view of male and female. True inclusivity embraces individuals across all gender identities, including transgender and non-binary individuals. Additionally, it encompasses individuals with disabilities, who encounter distinct challenges and obstacles within the workplace. Ensuring equality in treatment and compensation for all employees, irrespective of their gender identity or disability status, is pivotal for nurturing a genuinely inclusive work culture. Furthermore, they should establish support structures and accommodations to facilitate the success of individuals with disabilities in the workplace. Building safe and inclusive environments where employees feel appreciated, respected, and empowered to express their true identities is essential for cultivating a culture that champions gender equality and embraces diversity.

The core of the drive for gender equality rests on the principle of providing equal opportunities. It is imperative for companies to actively seek, retain, and advance individuals based on their skills, qualifications, and potential, irrespective of gender or any other attribute. Additionally, they must guarantee fair and transparent pay structures, eliminating any gender-based wage disparities. By breaking down systemic obstacles and nurturing a meritocratic environment, companies can pave the way for every employee to achieve success and flourish.

India Inc is ramping up initiatives to integrate individuals with autism into the workforce, aiming not only for inclusivity but also to leverage their unique skills. Leading companies such as Accenture, Wells Fargo, JP Morgan, Nagarro, and Lemon Tree Hotels^{viii} are at the forefront of expanding diversity and inclusion programs. They are actively recruiting individuals with autism by creating specialized roles that align with their strengths and introducing new tools to enhance their productivity. Additionally, these companies are enhancing medical insurance coverage to address specific conditions related to autism, demonstrating a commitment to fostering a more inclusive and supportive workplace environment.

Legislations in Indian Law



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India has enacted several key legislations to promote gender equality, empower women, and protect the rights of marginalized communities. The Constitution guarantees fundamental rights to all citizens, including equality before the law and prohibition of discrimination based on sex. Specific legislations include the Equal Remuneration Act, 1976, ensuring equal pay for equal work and prohibiting gender-based wage discrimination, The Sexual Harassment of Women at Workplace (Prevention, Prohibition, and Redressal) Act, 2013, addresses workplace sexual harassment issues. Moreover, the Rights of Persons with Disabilities Act, 2016 and National Trust Act^x, 1999 safeguard disability rights, ensuring equal opportunities and support for persons with disabilities. The Mental Healthcare Act, 2017^{xi} protects the rights of individuals with mental illnesses and promotes mental well-being. The Equal Opportunities Policy aims to create a level playing field for all individuals, irrespective of gender, disability, or other characteristics. Furthermore, the Transgender Persons (Protection of Rights) Act, 2019, is a significant step towards protecting the rights of transgender persons and promoting their inclusion in society. The Child Labour (Prohibition and Regulation) Act of 1986^{xii} is a legislative measure aimed at addressing and eradicating child labour practices.

Understanding the legislations

Equal Remuneration Act, 1976

The Equal Remuneration Act of 1976 is a significant legal framework in India designed to prevent gender-based discrimination in terms of wages. This Act ensures that men and women receive equal pay for equal work or work of a similar nature. Enacted by the Indian Parliament on February 11, 1976, its primary objective is to eliminate disparities in remuneration based on gender and to promote fairness in employment practices. The Act applies to all establishments, both public and private sectors, that employ ten or more individuals across the country. Its scope encompasses various aspects of employment, including recruitment, training, promotions, and

transfers, aiming to create an environment of equal opportunities and fair treatment for all employees, irrespective of their gender.

The Sexual Harassment of Women at Workplace (Prevention, Prohibition, and Redressal) Act, 2013

India's first legislation addressing workplace sexual harassment, the Sexual Harassment of Women at Workplace (Prevention, Prohibition, and Redressal) Act of 2013 (commonly known as the POSH Act), was enacted by the Ministry of Women and Child Development. Alongside the POSH Act, the government also introduced the Sexual Harassment of Women at Workplace (Prevention, Prohibition, and Redressal) Rules in 2013. The same year saw the Criminal Law (Amendment) Act, 2013, which criminalized offenses like sexual harassment, stalking, and voyeurism.

The primary objective of the POSH Act is to prevent and protect women from workplace sexual harassment while ensuring swift and effective redressal of complaints. It aims to create a safe, secure, and dignified working environment for every woman, regardless of age or employment status, free from all forms of harassment. However, challenges persist in the proper implementation of the Act's provisions, highlighting the ongoing need for robust enforcement and awareness campaigns.

The Rights of Persons with Disabilities Act, 2016

The Act was enacted to uphold the principles outlined in the United Nations Convention on the Rights of Persons with Disabilities and associated matters. These principles include respecting inherent dignity, individual autonomy, and the freedom to make decisions independently. Non-discrimination is another key principle, ensuring that individuals with disabilities have equal opportunities and are not subjected to unfair treatment. The Act also emphasizes the full participation and inclusion of persons with disabilities in society, promoting respect for differences and acknowledging disability as part of human diversity. Additionally, it advocates for accessibility, equality of opportunity, and equality between genders. It also recognizes the evolving capacities of children with disabilities and their right to maintain their identities, ensuring their well-being and inclusion in society.

National Trust Act, 1999

The Act establishes a national body dedicated to the welfare of individuals with Autism, Cerebral Palsy, Mental Retardation, and Multiple Disabilities. This national body functions as a trust with specific objectives, including empowering persons with disabilities to live independently and inclusively within their communities. It aims to enhance support services for individuals with disabilities to remain within their families, especially during challenging times. The body also addresses the needs of those without family support and develops measures for their care and protection, particularly in situations like the death of a parent or guardian. Additionally, it works towards appointing guardians and trustees when necessary, promoting equal opportunities, protecting rights, and ensuring the full participation of persons with disabilities in society.

The Mental Healthcare Act, 2017

The Mental Health Care Act, 2017 is a comprehensive legislation in India that aims to provide for mental health care and services for persons with mental illness. It emphasizes the rights of individuals with mental illness, including their right to access mental health care and treatment, right to equality and non-discrimination, right to confidentiality, and right to make decisions about their treatment. This acknowledgment of a statutory right is crucial for dispelling myths and promoting better understanding and support for those dealing with mental health challenges. The Mental Health Care Act, 2017 is designed to promote the mental well-being of individuals and ensure their rights and dignity are upheld in the context of mental health care.

Transgender Persons (Protection of Rights) Act, 2019

The Transgender Persons (Protection of Rights) Act, 2019 is a significant legislation in India designed to safeguard the rights and promote the welfare of transgender individuals. It defines transgender persons broadly to include those whose gender identity differs from their assigned sex at birth, encompassing trans-men, trans-women, genderqueers, and persons with intersex variations. One of the key aspects of the Act is its prohibition of discrimination against transgender persons, ensuring their equal access to education, employment, healthcare, and public spaces. The Act also upholds the right of transgender individuals to self-perceived gender identity, allowing them to identify as male, female, or third gender based on their self-understanding. The Act emphasizes the government's responsibility to implement welfare measures for the socio-economic development of transgender communities, including provisions for education, healthcare, and employment opportunities. The Act seeks to empower transgender individuals, promote inclusivity, and ensure their full participation and acceptance in society.

The Child Labour (Prohibition and Regulation) Act of 1986

The Child Labour (Prohibition and Regulation) Act of 1986 is a crucial legislation in India aimed at addressing and preventing child labour. It prohibits the employment of children below a certain age in specified hazardous occupations and processes. The Act defines a "child" as a person below the age of fourteen years and lays down guidelines for regulating them. It prohibits the employment of children in occupations and other hazardous industries detrimental to their health and well-being. Additionally, it imposes penalties for contravention of its provisions, emphasizing the importance of protecting the rights and ensuring the welfare of children in India.

These legislations reflect India's commitment to upholding human rights, inclusivity, and social justice, though challenges in implementation and awareness persist, highlighting the ongoing need for advocacy and education. They become the major contributors to achieving Viksit Bharat goal. Collectively, these laws not only uphold fundamental human rights but also create a more equitable and progressive society, aligning with the vision of Viksit Bharat for holistic development and social harmony.

Bloomberg Gender Equality Index Report

The Bloomberg Gender-Equality Index (GEI) serves as a catalyst for companies to disclose and evaluate their social data pertaining to gender equality. This framework undergoes annual updates to incorporate emerging best practices in addressing this global challenge. Built upon five foundational pillars which are: -

- Leadership & talent pipeline (25%),
- Equal pay & gender pay parity (25%),
- Inclusive culture (30%),
- Anti-sexual harassment policies (10%),
- External brand (10%)

The GEI framework provides a structured approach for companies to measure and monitor data crucial for fostering gender equity in the workplace. It empowers companies to identify areas for enhancement and benchmark their progress against industry peers. The framework leverages data collected by Bloomberg from company filings, which is pre-populated where available. All disclosed data, whether manually entered or pre-populated, contributes positively to the overall Bloomberg GEI Score. Companies are encouraged to complete the entire framework to maximize their score, as unanswered questions do not earn any value.

Recognizing the pivotal role of gender diversity, *Wipro*^{xiii} proactively implemented a range of initiatives to champion equality. These initiatives include the establishment of dedicated employee resource groups and mentorship programs tailored to support women in technology and leadership positions. The company places a strong emphasis on pay equity and conducts

regular audits to ensure fair compensation for all employees, irrespective of gender or any other distinguishing factors. *Notably, Wipro has been recognized in the Bloomberg Gender-Equality Index Report^{xiv} for the fourth consecutive year, affirming its commitment to gender equality and inclusivity.*

Tech Mahindra^{xv} is dedicated to ensuring equal opportunities for individuals of all genders and promoting inclusivity throughout its workforce. The company not only embraces diversity but also actively advocates for LGBTQ+ rights through forward-thinking policies and initiatives. Additionally, the company demonstrates its dedication to LGBTQ+ inclusivity through progressive policies such as the Sexual Reassignment Surgery Policy and extending insurance benefits to same-sex partners. *The Bloomberg Gender Equality Index has named tech Mahindra^{xvi} for the fourth consecutive year, for the steadfast commitment to fostering diversity and inclusivity in the workplace.*

Dr. Reddy's Laboratories is committed to creating a fairer and more socially inclusive world through a strong focus on diversity, equity, and inclusion. By 2030, their objective is to achieve a minimum of 35% representation of women in senior leadership positions. Furthermore, they also aim to have 3% of the workforce composed of individuals with disabilities by 2030. *Dr. Reddy Laboratories for the sixth consecutive year, secured a place in Bloomberg Gender-Equality Index (GEI) 2023. This being the only Indian pharmaceutical company recognized in this prestigious index, highlighting the ongoing commitment to gender equality and inclusivity index.^{xvii}*

These examples illustrate a growing acknowledgment among companies and industries in India regarding the significance of gender equality, inclusivity, and diversity within the workplace. Through the implementation of various policies, programs, and initiatives that support women, individuals with disabilities, and people of all gender identities, these companies are not just creating a more inclusive work environment but also catalyzing positive social change. Additionally, they are making substantial contributions to India's economic growth and overall development.

Global Reporting Initiative

The Global Reporting Initiative (GRI) is a renowned international organization that has developed a comprehensive framework for sustainability reporting. It provides guidelines and standards for companies and organizations to report on their economic, environmental, social, and governance (ESG) performance. The GRI framework aims to enhance transparency, accountability, and comparability in sustainability reporting across various sectors and regions globally. It offers a structured approach for organizations to identify, measure, and communicate their sustainability impacts and performance to stakeholders, including investors, customers, employees, and communities. The GRI framework is widely recognized and utilized by thousands of companies worldwide, contributing significantly to the advancement of sustainability practices and corporate responsibility.

BRSR Reporting with Environment, Social & Governance (ESG) Integration

Gender equality has become an integral aspect of Business Responsibility and Sustainability Reporting (BRSR) mandated by the Securities and Exchange Board of India (SEBI). By including gender-related metrics and initiatives in BRSR reporting under attributes enhancing employee well-being & safety, enabling gender diversity in business under BRSR – Annexure I^{xviii} & II^{xix} format companies are encouraged to demonstrate their commitment to promoting diversity, inclusivity, and equal opportunities in the workplace.

This not only aligns with global sustainability goals but also contributes significantly to the Environmental, Social, and Governance (ESG) objectives. Gender equality initiatives, such as promoting women's leadership, closing the gender pay gap, and fostering an inclusive work culture, play a crucial role in advancing ESG goals by enhancing social cohesion, employee well-being, and overall corporate sustainability. Therefore, integrating gender equality into BRSR

reporting not only enhances transparency and accountability but also drives positive social impact and contributes to broader ESG objectives.

Ethical boundaries of Marketing Strategies

Starbucks - Controversy^{xx}

Starbucks faced criticism over an advertisement that featured a person who intended to go for gender change, with some arguing that the ad was unrelated to the product and served merely as a marketing ploy to gain attention and profits. The backlash stemmed from concerns about the ethicality of using sensitive social issues for commercial purposes without genuine engagement or meaningful contribution to the cause. While some viewed it as a step towards inclusivity and representation, others saw it as a shallow attempt to capitalize on social issues for financial gain. The incident sparked a broader conversation about the responsibilities of companies when addressing social issues in their marketing strategies, highlighting the delicate balance between advocacy, authenticity, and commercial interests in the corporate world.

Bud Light - Controversy^{xxi}

In the wake of increasing sensitivity and awareness around social issues, beer brands like Bud Light have faced significant backlash over ad campaigns featuring transgender influencers. The controversy has sparked debates about the ethical boundaries of marketing strategies and the extent to which brands should delve into societal matters for promotional purposes. The backlash experienced by Bud Light underscores the delicate balance that companies must navigate between promoting inclusivity and avoiding exploitative marketing practices that can alienate or offend consumers.

Landmark Supreme Court Judgement on Same Sex Marriage^{xxii}

While the Supreme Court declined to legalize same-sex marriage, it granted various rights to the LGBTQ community. The Chief Justice of India emphasized that although marriage rights fall under the legislature's purview, LGBTQ individuals have the right to choose their partners and enjoy intimate associations. The court stressed the importance of recognizing a range of rights for such couples to ensure their unrestricted right of association. Additionally, the court issued directives to the central and state governments, along with Union Territories, to enforce these rights effectively.

The right against discrimination, protecting the community, adoption rights and rights against police harassment are some basic rights granted to the community.

Conclusion

Gender equality is not just a moral imperative but a strategic necessity for realizing the vision of Viksit Bharat by 2047. It is imperative to recognize that achieving gender equality is not merely a goal but a continuous process that requires concerted efforts from all sectors of society.

As the nation progresses towards achieving the status of a developed country by 2047 under the vision of Viksit Bharat, it becomes increasingly crucial to create an environment where all individuals, regardless of gender, have equal access to opportunities and resources. This includes ensuring equitable representation in education, employment, leadership roles, and decision-making processes.

By embracing gender equality as a core principle, India can harness the full potential of its diverse population. This means empowering women and marginalized genders to participate fully in the economic, social, and political spheres of society. It also involves dismantling barriers and biases that hinder progress towards gender parity.

Moreover, gender equality is not a static achievement but an ongoing journey that requires sustained commitment and action. This includes implementing policies and initiatives that promote gender inclusivity, addressing systemic inequalities, promoting gender-sensitive education and healthcare, and fostering a culture of respect and dignity for all individuals.

Additionally, promoting diversity and inclusion is essential for realizing Viksit Bharat's vision. Embracing diversity means valuing and celebrating differences in gender, ethnicity, race, religion, age, ability, and sexual orientation. It involves creating inclusive workplaces, communities, and institutions where everyone feels respected, valued, and empowered to contribute their unique perspectives and talents.

Ultimately, achieving gender equality, diversity, and inclusion is not just about fairness; it is about unlocking human potential and creating a more resilient, innovative, and prosperous society for all. It aligns with the broader vision of Viksit Bharat by 2047, which envisions a thriving nation where every individual can contribute meaningfully to nation-building and collective progress.

The link for the article is as follows

<https://www.cscrea.in/embracing-diversity-and-gender-equality-a-catalyst-for-viksiti-bharats-inclusive-progress/>

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ⁱ<https://pib.gov.in/PressReleasePage.aspx?PRID=1997896#:~:text=Given%20India's%20abiding%20commitment%20to,on%20all%20gender%20related%20issues>

ⁱⁱ<https://pib.gov.in/PressReleasePage.aspx?PRID=1997896#:~:text=Given%20India's%20abiding%20commitment%20to,on%20all%20gender%20related%20issues>

ⁱⁱⁱ <https://www.flickr.com/photos/mpcaphotos/31655988501>

^{iv} <https://www.narendramodi.in/viksiti-bharat-the-vision-of-pm-modi-579810>

^v <https://nhrc.nic.in/sites/default/files/DisabilityRights.pdf>

^{vi} <http://www.ccdisabilities.nic.in/equal-opportunity-policy>

^{vii} <https://www.indiacode.nic.in/bitstream/123456789/13091/1/a2019-40.pdf>

^{viii} <https://economictimes.indiatimes.com/news/company/corporate-trends/india-inc-opens-its-doors-to-neurodiverse-employees/articleshow/99505306.cms?from=mdr>

^{ix} <https://thebluediamondgallery.com/legal09/l/legislation.html>

^x <https://thenationaltrust.gov.in/upload/uploadfiles/files/National%20Trust%20Act%20-%20Englisih.pdf>

^{xi} https://main.mohfw.gov.in/sites/default/files/Mental%20Healthcare%20Act%2C%202017_0.pdf



^{xii} [https://clc.gov.in/clc/acts-rules/child-labour-prohibition-and-regulation-act-1986#:~:text=It%20came%20on%20the%20Statute,1986%20\(61%20of%201986\).&text=An%20Act%20o%20prohibit%20the,children%20in%20certain%20other%20employments.](https://clc.gov.in/clc/acts-rules/child-labour-prohibition-and-regulation-act-1986#:~:text=It%20came%20on%20the%20Statute,1986%20(61%20of%201986).&text=An%20Act%20o%20prohibit%20the,children%20in%20certain%20other%20employments.)

^{xiii} <https://www.wipro.com/about-us/inclusion-and-diversity/>

^{xiv} <https://www.thehindu.com/education/careers/484-companies-included-in-bloombergs-gender-equality-index-for-2023/article66484311.ece>

^{xv} <https://www.mahindra.com/news-room/press-release/en/tech-mahindra-included-in-bloomberg-genderequality-index-for-the-fourth-consecutive-year>

^{xvi} <https://www.businessinsider.in/careers/news/tech-mahindra-wipro-and-dr-reddys-labs-on-bloomberg-gender-equality-index/articleshow/73515898.cms>

^{xvii} <https://businesswire.com/news/home/20230208005562/en/Dr.-Reddy%E2%80%99s-included-in-Bloomberg-Gender-Equality-Index-for-the-6th-year-in-a-row-and-SP-Global%E2%80%99s-Sustainability-Yearbook-for-the-3rd-year>

^{xviii} https://www.sebi.gov.in/sebi_data/commndocs/jul-2023/Annexure_I-Format-of-BRSR-Core_p.pdf

^{xix} https://www.sebi.gov.in/sebi_data/commndocs/jul-2023/Annexure_II-Updated-BRSR_p.PDF

^{xx} <https://www.independent.co.uk/asia/india/starbucks-india-transphobia-trans-actor-siya-b2343284.html>

^{xxi} <https://news.sky.com/story/dylan-mulvaney-bud-light-beer-takes-sales-hit-after-backlash-over-ad-campaign-featuring-transgender-influencer-12932886>

^{xxii} <https://economictimes.indiatimes.com/news/india/same-sex-marriage-verdict-what-lgbtq-community-got-and-what-it-didnt/articleshow/104491992.cms?from=mdr>



NEWS UPDATES FOR THE MONTH OF NOVEMBER 2024

Sr. No.	News Updates	Link
	TOPIC	
1	MCA Data	MCA Department Notifies Approx. 1.13 Lakh Companies Registered in FY 2024-25 https://blog.saginfotech.com/mca-department-approx-1-13-lakh-companies-registered-fy-2024-25
2	Banking Law	Banking Laws (Amendment) Bill 2024: Auditors see higher remuneration but flag Independence quality risks https://cfo.economictimes.indiatimes.com//news/tax-legal-accounting/banking-laws-amendment-bill-2024-auditors-see-higher-remuneration-but-flag-independence-quality-risks/116409106
3	Specialized Investment Funds	Sebi sets minimum investment amount for SIFs at Rs 10 lakh https://cfo.economictimes.indiatimes.com//news/governance-risk-compliance/sebi-sets-minimum-investment-amount-for-sifs-at-rs-10-lakh/116435578
4	Financial Fraud	59% of Indian companies report financial fraud; procurement fraud tops concerns: PwC Survey https://cfo.economictimes.indiatimes.com//news/59-of-indian-companies-report-financial-fraud-procurement-fraud-tops-concerns-pwc-survey/116435303
5	Qualified Institutional Placement	India Inc raises record Rs 1.21 lakh crore via QIPs till Nov in 2024 https://cfo.economictimes.indiatimes.com//news/corporate-finance/india-inc-raises-record-rs-1-21-lakh-crore-via-qips-till-nov-in-2024/116351375
	Amendments	
1	Relaxation from the ISIN restriction limit for issuers desirous of listing originally unlisted ISINs (outstanding as on December 31, 2023)	https://www.sebi.gov.in/legal/circulars/dec-2024/relaxation-from-the-isin-restriction-limit-for-issuers-desirous-of-listing-originally-unlisted-isins-outstanding-as-on-december-31-2023-_89908.html
2	Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Third Amendment) Regulations, 2024	https://www.sebi.gov.in/legal/regulations/dec-2024/securities-and-exchange-board-of-india-listing-obligations-and-disclosure-requirements-third-amendment-regulations-2024_89956.html

VIEWS SHARED IN MEDIA - FOR THE MONTH OF NOVEMBER AND DECEMBER 2024

Sr. No.	Topic for Media Comment	Link
1.	SEBI expanding illustrative list under de inition of UPSI as per SEBI PIT regulations	<p>This change on expanding de inition of UPSI is a positive deviation from earlier proposal by SEBI whereby all events or information under Schedule III of LODR were considered as UPSI. SEBI has curtailed the illustrative list of UPSI to 17 events from its earlier proposal of considering all 34 events under Sch III LODR as UPSI.</p> <p>This move by SEBI may bring more inclination towards adoption of trading plans by designated persons as expansion of the illustrative list of UPSI may further restrict trading by designated persons in the securities of listed entities.</p> <p>https://investmentguruindia.com/newsdetail/comment-on-sebi-expanding-illustrative-list-under-de inition-of-upsi-as-per-sebi-pit-regulations-by-makarand-m-joshi-founder-mmjc-and-associates-a-corporate-compliance- irm249191</p>
2.	Mutual fund units brought under PIT	<p>This move by SEBI will strictly regulate dealing in units of mutual funds. Dealing in mutual fund units will now be subject to pre clearance, restricted trading periods, disclosure of dealing beyond certain limits, contra trade etc when a person is in possession of price sensitive information relating to mutual fund schemes.</p> <p>This comes at a time when mutual funds are being considered as shadow banks.</p> <p>Compliance with these provisions may be a challenge as what is UPSI for mutual funds and other listed companies is signi icantly different and it will evolve over a period.</p> <p>This move will help curb opportunistic dealing in mutual fund units and bring in more transparency in the capital market.</p> <p>https://investmentguruindia.com/newsdetail/comment-on-sebi-insider-trading-rules-now-apply-to-mutual-fund-units-from-nov-1-by-makarand-m-joshi-founder-mmjc-and-associates-a-corporate-compliance- irm995140</p>

