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[illegible]

terms at a future date. Such warrants are fairly common in the corporate world on account of the benefits associated with the same, and the present amendment cannot be said to rule out the possibility of issuance of such share warrants. Share warrants are directly or indirectly recognised under various provisions of law, for instance: The definition of "securities" as provided for in section 2(h) of the Securities Contracts (Regulation) Act also includes "rights or interest in securities". Share warrants are, in fact, a right to acquire securities at a future date, and therefore, well covered under the definition of securities. The SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 contains specific provisions with respect to issuance of share warrants. The Foreign Exchange Management (Non Debt Instruments) Rules, 2019 also refers to the term "share warrants" within the overall definition of "equity instruments" and contains specific provisions with respect to the same. The Act refers to the conversion of "warrants" as a permissible mode for issuance of shares during the restricted period post buyback u/s 68(8) of the Act. It also contains references to employee "stock options", which, by nature are equivalent to share warrants. While the Act does not mention at several places under it about share warrants, however, at few places, like the provisions under section 68 dealing with buy back of securities as well as reference to employee "stock options", which, by nature are equivalent to share warrants are given the Act. Therefore, there are no explicit provisions that prohibit the issuance of share warrants by unlisted companies, and the same, being a "security" can very well be issued by a company, whether listed or unlisted, in compliance with the applicable provisions of law to meet the required funding as well as investment objectives. The Amendment Rules aim at the wiping out of the bearer share warrants, since the legal and beneficial ownership of the shares are non-traceable in such a case. However, that does not eliminate the concept of share warrants as a whole, that are issued to an identified set of persons, and follows a due procedure laid down in the law for transfer of such warrants. Although not expressly defined under the Act, the concept of share warrants is legally recognised under various laws and are being widely issued by Indian companies, whether listed or unlisted, including private companies. The current set of amendments will have no impact on the permissibility of issuing share warrants issued under the Act and other laws as mentioned hereinabove.