

# CHARTERED SECRETARY

THE JOURNAL FOR GOVERNANCE PROFESSIONALS

## Labour and Environmental Laws



**THE INSTITUTE OF  
Company Secretaries of India**

**भारतीय कम्पनी सचिव संस्थान**

IN PURSUIT OF PROFESSIONAL EXCELLENCE

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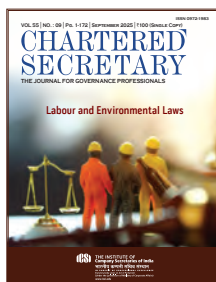


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## EDITORIAL

As the world prepares to observe 'World Environmental Health Day' on September 26, the Government of India has undertaken several initiatives to reinforce the importance of global efforts aimed at achieving United Nations' SDGs such as Good Health & Well-being and Climate Action. To support Government of India initiatives and create awareness among its members, the ICSI is organizing, 'Aspirational East' a National seminar on Startups, FPO and Agri-business in the month of September. I invite members to actively participate in the event. The Institute also successfully hosted a 3 days' International Conference in the first week of September at Sydney, Australia, on the theme: 'Embracing Innovation, Enhancing Good Governance', which was attended by members from across the globe, with eminent speakers sharing their insights and engaging in thought-provoking deliberations on diverse topics.

The state of environmental health significantly affects the health and well-being of its people. This also applies to factory workers and employees in corporate offices, making their health, safety, security, and overall well-being a top priority for the management of the companies that employ them. As torchbearers of good governance, Company Secretaries can play an essential role in this area and can enhance human productivity by effectively monitoring the enforcement of safety and security regulations for employees in both factories and corporate settings.

Building on the above perspective, this month's issue of the Journal, on the theme '**Licensing, Registration & Regulation: Labour and Environmental Laws**', throws light on the dimensions of the regulatory framework, establishing interrelationship between the two laws.

The theme based articles on, '**Labour Laws in Practice: Licensing, Registration and Regulation – A Company Secretary Perspective**', '**Licensing, Registration & Regulation under Labour Laws: A Compliance Blueprint for Viksit Bharat**', '**Licensing, Registration & Regulation: Labour and Environmental Laws**', '**E-Compliance in Wage Laws: Licensing, Registration & Regulation**', '**Beneficial Legislation – Factories Act 1948**', '**Labour Laws and the Role of Company Secretary**', '**The Governance Horizon: Gig Labour Meets Green Capital!**', '**From Leave to Leverage: Gender Inclusion, Hybrid Work and Reimagining the Maternity Benefit Act, 1961 for Viksit Bharat**', and '**Labour Welfare and Working Conditions in India: A Legal and Regulatory Analysis**' explicate the evolution of labour laws, integration of information technology, regulatory reforms and the contribution of Company Secretaries in developing a robust labour governance framework in organisations.

The articles titled, '**Forest (Conservation) Act, 1980 and Wildlife (Protection) Act, 1972: A Governance Perspective**', '**The Alchemy of Waste: How India's New E-Waste Rules are forging a Digital Circular Economy for Viksit Bharat@2047**'; and '**Coastal Regulation Zone (CRZ) Compliance Framework: A Strategic Imperative for Company Secretaries**', on the theme have specific coverage on laws related to Environmental Protection and Conservation.

The article in Global Connect Section on '**Sustainability-Linked IPO Frameworks: Global Trends and India's Readiness**' delves on the domestic and global context of integrating SL-IPOs with ESG Metrics in organisations.

Happy Reading!

**CS Asish Mohan**  
(Editor - Chartered Secretary)





ICSI delegation led by CS Pawan G Chandak, Vice - President, The ICSI met with Shri Kiren Rijju, Hon'ble Minister of Parliamentary Affairs & Minister of Minority Affairs to apprise him about initiatives of ICSI towards advancing good Corporate Governance.



CS Dhananjay Shukla, President, The ICSI met with Shri Ramnath Thakur, Hon'ble Minister of State for Agriculture and Farmers Welfare, to discuss opportunities for Company Secretaries in Agricultural Laws and Regulations.



CS Dhananjay Shukla, President, The ICSI met with Shri Satish Chandra Dubey, Hon'ble Minister of State for Coal and Mines, and apprised him about the role of Company Secretaries and The ICSI in Nation Building.



ICSI delegation led by CS Dhananjay Shukla, President, The ICSI met with Shri Upendra Kushwaha, Hon'ble Member, Rajya Sabha to apprise him about the role of Company Secretaries and The ICSI in Nation Building.



CS Dhananjay Shukla, President, The ICSI met Shri Pradeep Kumar Singh, Hon'ble Member, Lok Sabha to apprise him about initiatives of ICSI aimed at Nation Building.





ICSI delegation led by CS Dhananjay Shukla, President, The ICSI met with Shri Rajesh Verma, Hon'ble Member, Lok Sabha to apprise him about the CS Profession and the various initiatives taken by the ICSI aimed towards building a strong and resilient India.



CS Dhananjay Shukla, President, The ICSI met with Dr. Bhim Singh, Hon'ble Member, Rajya Sabha and apprised him about the ICSI's focused approach towards the growth and development of the youth of the country.



CS Dhananjay Shukla, President, The ICSI met with Dr. Dharmshila Gupta, Hon'ble Member, Rajya Sabha to apprise her about the initiatives taken by ICSI towards building Viksit Bharat.



CS Dhananjay Shukla, President, The ICSI met with Shri Jishnu Barua, Chairperson, Central Electricity Regulatory Commission to discuss the role of Company Secretaries in power exchange.



CS Dhananjay Shukla, President, The ICSI and CS Suresh Pandey, Central Council Member, The ICSI and Chairman, Placement Committee at the Placement Drive and Step-On: Skill Enhancement Workshop organised by ICSI at Noida on August 30, 2025.





Annual Regional Conference of WIRC of The ICSI hosted by Pune Chapter on August 22-23, 2025. Dr. Medha Kulkarni, Member of Parliament, Rajya Sabha was the Chief Guest and CS Pawan G. Chandak, Vice-President, The ICSI was the Guest of Honour at the programme.



EIRC of The ICSI organized 34<sup>th</sup> Annual Regional Conference, “संचेतक” - Watchful Protector, on August 23-24, 2025, in Digha, West Bengal. CS Rupanjana De, Central Council Member, The ICSI graced the occasion.



NIRC of The ICSI conducted a workshop on “POSH Act – A Strategic Avenue for Company Secretaries” on August 22, 2025.





ICSI-IFSCA conducted an outreach programme for the opportunities available for Company Secretaries specifically for practising members at GIFT IFSC on August 27 2025 at ICSI House, Noida. Shri K. Mahipal Reddy, Executive Director, IFSCA delivered the keynote address highlighting the strategic importance of GIFT-IFSC. Shri Sathyaraj CM, General Manager, IFSCA, gave a detailed presentation on 'Unlocking opportunities for Professional and Technology Services Providers at GIFT-IFSC. CS Manoj Kumar Purbey, Central Council Member, The ICSI and CS Asish Mohan, Secretary, The ICSI were present at the programme.



Glimpses of ICSI Service Awards presentation held at ICSI Headquarters, Lodi Road on the occasion of 79<sup>th</sup> Independence Day.





NCLT & NCLAT Conclave 2025 hosted by NIRC of The ICSI at New Delhi on August 23, 2025. Justice Shri Yogesh Khanna, Member (Judicial), Hon'ble NCLAT, New Delhi was the Chief Guest and CS Virender Ganda, Former President, The ICSI & Senior Advocate was the Special Guest at the Conclave.



ICSI MSME & Startup Connect 2025 conducted by Varanasi Chapter of NIRC of The ICSI on August 30, 2025. Shri Ravindra Jaiswal, Minister of State (Independent Charge) for Stamp, Court Fee & Registration, U.P. was the Chief Guest at the programme.



ICSI MSME & Startup Connect 2025 conducted by Bhubaneswar Chapter of EIRC of The ICSI on August 8, 2025.



50<sup>th</sup> Foundation Day Celebration of Kochi Chapter on August 21, 2025. Chief Guest CS Manish Gupta, Former President & Central Council Member, The ICSI, CS Dwarakanath C. and CS Venkata Ramana R., Central Council Members, The ICSI, CS Asish Mohan, Secretary, The ICSI and CS Madhusudhanan E P, Chairman SIRC of The ICSI graced the occasion.



## GLIMPSES FROM ICSI CCGRTs



ICSI – CCGRT, Kolkata conducted its 11<sup>th</sup> batch of the RCLDP from August 12 - 26, 2025. Shri Chandan Ji, Deputy Registrar of Companies (RoC), CS Sandip Kejriwal, Central Council Member & Convenor, ICSI CCGRT, Kolkata and CS Rupanjana De, Central Council Member, The ICSI addressed the participants.



ICSI – CCGRT, Kolkata organized a two-days Residential Programme on 'Latest Amendments and Updates in Corporate Laws & SEBI Regulations' on August 2-3, 2025.



ICSI - CCGRT, Hyderabad organized Two Days Residential Research Conclave on Corporate Funding – Private Equity and Debt Raising on August 7-8, 2025 at Hyderabad in the presence of CS Venkata Ramana R., Central Council Member and Convenor of CCGRT Hyderabad, The ICSI.



ICSI - CCGRT, Hyderabad concluded the 22<sup>nd</sup> batch of its RCLDP with a Valedictory Session on August 6, 2025. Shri A K Agarwal, Director of DRS Group, Chief Guest of the program and CS Venkata Ramana R., Central Council Member and Convenor of CCGRT Hyderabad, The ICSI graced the occasion.



ICSI - CCGRT, Mumbai organised Two days Residential/Non-Residential Workshop on 'SME Listing' on August 2-3, 2025.



4<sup>th</sup> Non-Residential CLDP was conducted from August 5-22, 2025 at ICSI-CCGRT, Mumbai.



5<sup>th</sup> Non-Residential CLDP was conducted from August 19 to September 3, 2025 at ICSI-CCGRT, Mumbai.





त्वं वाययस्त्वं चिन्मयः। त्वमानन्दमयस्त्वं ब्रह्ममयः।  
त्वं सच्चिदानन्दाद्वितीयोऽसि। त्वं प्रत्यक्षं ब्रह्मासि। त्वं ज्ञानमयो विज्ञानमयोऽसि॥४॥

(You are the very nature of the words, the nature of consciousness and bliss. You are the nature of the learned. You are the Real existence-consciousness-bliss - the one second to none. You are the portrayal of intellect. You are the nature of spiritual knowledge and of science.)

- Shri Ganpati Atharvashirsha



**Dear Professional Colleagues,**

**T**he celebration of the festival of Ganesh Chaturthi is not a festival celebrated in singularity, but rather is one of unison, inclusivity and togetherness. The ten day long festivities not only give us an opportunity to visit and greet our loved ones but with that indulge in self-introspection and let go off of our 'vikaras' or negative traits and imbibe the positive ones of the very lord that we are praying to.

Indeed as the nation gears up for a few months of festivities ahead - the ICSI has celebrations of its own to prep up for and solicit your presence to.

This time as I begin with this penning down of feelings, I must begin with the celebrations of the younger members of the ICSI family, the students of ICSI.

### **JUNE 2025 EXAMINATIONS : RESULTS DECLARED – PATHS CHALKED**

Each one of us who proudly places the two alphabets C & S before our names have our personal stories etched in our minds and hearts even after years of playing varied roles in the profession.

No professional activity or assignment can ever come close to the feeling of exhilaration, excitement and anticipation as has been the one that accompanied our Examinations and results during our days as a student of this Institution. The shared joys of achievement and accomplishment - the shared sorrows of those temporary failures - and yes, the pain that seemed so unsurmountable - brought us closer to each other. And even though we might have undertaken some of the biggest mergers and amalgamations, insolvencies and valuations, audits and certifications - when we sit together - the only times we reminisce is those good old student days.

The reason why I am sharing all these moments through the pages of this journal is not one but aplenty.

As for the members are concerned, the mention of these experiences is a reminder of the journey travelled, the challenges faced and the hurdles overcome - only to enliven our commitment to be the best professional brigade of this nation.

And as far as our dear students are concerned, you being the real stakeholders of this event - you would be divided on account of the success or failure that you would have come face to face with during these examinations.

While success would mean a step ahead in the journey, falling short of the required marks should in no way be considered as a fatality. But rather you should be looking up to the members of this very Institute for inspiration for they have been down this path before you.

I would urge all our members to take this upon themselves to motivate, to inspire, to guide and handhold the young, soon-to-be torchbearers of this profession as to what and how they need to proceed in their preparatory journey forward.

Trust me my dear students, when I say this, that you are not alone. You have the force of more than 75000 members ready to share your dream and help you achieve it all while realizing your true potential.

At this juncture, I am reminded of this famous chaupai of Shri Ramcharitmanas where Jamvant guides Hanuman into realising his true power and crossing an entire ocean,

जो नांघइ सत योजन सागर।  
करइ सो राम काज मति अगर॥

(He who can leap over the ocean having a width of eight hundred miles and is a repository of intelligence will be able to do Sri Ram's business.)

I will be moving in my sharing journey in the order of the events closest in terms of their timeline.

## ICSI 4<sup>TH</sup> INTERNATIONAL CONFERENCE : SAILING IN AUSTRALIAN WATERS

यस्तु संचरते देशान् यस्तु सेवेत पण्डितान्। तस्य विस्तारिता बुद्धिस्तैलबिन्दुरिवाम्भसि॥

(The intelligence of a person who travels to different countries and associates with scholars expands, much like a drop of oil spreads in water.)

- Subhashit Manjiri 11-89

As I pen this message, I am almost close to packing my bags, getting my speeches in order and heading to the land of Kangaroos – the scenically bestowed country of Australia. If the vision of ICSI is “to be a global leader in promoting good corporate governance” is our foundational thought, our words should be matched with our actions of equal or greater measure.

The launch of the first ICSI Overseas Centre and five thereafter, the launch of the first International Conference in collaboration with these Overseas Centres are our attempts to spread the word of governance, the thought of ESG and the ideology of shared action with the world.

Hoping for a governance-filled meet-up in the country of reefs.

### THINGS-TO-DO

The header of the section very well explains it all. The activities listed below are the ones where I as your president and we as a Family solicit your presence, support and action.

### 4<sup>TH</sup> ICSI BOARD MENTORSHIP PROGRAMME : LEADING CHANGE WITH GUIDANCE

विद्या कामदुधा धेनुः

Knowledge is like a Kamadhenu (the cow of plenty).

- Chanakya Neeti 8.14

As I return from the deliberations on Innovation and Governance, I would want you all to be ready to pack your bags with me on a short getaway to the lesser-known hills bestowed with greenery and amidst them the land of monasteries – the quite city of Kalimpong in West Bengal. And this time, I would not want you to come alone but rather bring along your entire Boards, the senior management, the Key Managerial Personnel, the Independent Directors or basically anybody and everybody in charge of the decision making; for a masterclass in governance – the 4<sup>th</sup> ICSI Board Mentorship Programme during September 18-21, 2025.

### 53<sup>RD</sup> NCCS : THE QUEEN OF ARABIAN SEA AWAITS

Even though the region for the National Convention of Company Secretaries is decided automatically on account of rotation; however, picking a city out of the long list of options and possibilities is a job that can be easily called a tough one.

Amidst the long deliberations, it is when we landed on Kochi that there was unison in our thought and a true meeting of our minds. The city that is known as much for its rich culture, heritage and history, is renowned for its scenic beauty, its magnificent sunsets and equally magnanimous backwaters.

And what better way would it be to foster both learnings and friendships than in this unique blend of a city which embraces both modernity, digital transformation and yet preserves its natural beauty.

So here I am, extending my heartfelt invitations to each one of you to join us at the Hotel Grand Hyatt Kochi Bolgatty

for the 53<sup>rd</sup> National Convention of Company Secretaries during October 30, November 01-02, 2025 by utilizing the benefit of the extension provided in the first block of Early Bird registrations. And as you make in your bookings, I would urge all of you to simultaneously try your hand at sharing your views by way of writing for the Souvenir on the various sub-themes under the theme ‘Progressive, Inclusive and Sustainable Bharat’.

Let us all enjoy serenity of the city of Kochi together !!!

### 25<sup>TH</sup> ICSI CG AWARDS : KEY TO SELF-EVALUATION AND PEER EVALUATION

“Always ask yourself if what you’re doing today is getting you closer to where you want to be tomorrow.”

- Paulo Coelho

The legacy of a quarter of a century, the ICSI National Awards for Excellence in Corporate Governance are one of the most awaited events of the year. And it is not just the Award Ceremony, but the event begins for the nation, with the rolling out of forms and soliciting applications. The Institute has been undertaking this exercise not only to recognize the best practices but to accord the corporates – irrespective of their structures and sizes – to evaluate themselves and to strive for the highest levels of governance.

With the date for the application been extended and the applications made open for the Best PCS Firm and Best Secretarial Audit Report Awards, I would expect nothing less than to have all of you send in your company’s reports with filled in forms and evaluate yourselves on the parameters of governance...

### THE PRESENT AND THE FUTURE : LEADING THE CHANGE – BEING THE CHANGE

The Institute, the Council and the Team, all are working in unison to provide our members with the best of avenues of knowledge and skill upgradation. Be it the Capacity Building Series for members on various contemporary topics or the one for students to render them office, market and industry ready, the intent is to be in the front.

Our meetings and greetings through the month with the Members of Parliament, Heads of Regulatory Authorities and so on, are all undertaken with the intent of finding common grounds.

And in no way, is any of us going to slow down. If the aim is to build a Viksit Bharat, the foundations shall be laid by this brigade of Governance Professionals and for that we shall all be marching forward with grit, with determination, commitment and dedication.

चरैवेति चरैवेति॥

Keep moving, keep moving...

- Aitareya Brahman 7.15

Yours Sincerely



CS Dhananjay Shukla  
President, ICSI



# This Month That Year



**2004 - Meeting of the Governing Council of National Foundation for Corporate Governance** - Seen with Prem Chand Gupta (Hon'ble Union Minister of State for Company Affairs) from (L to R, sitting) - S. K. Munjal (President, CII), N.R. Narayana Murthy (Chairman & Chief Mentor, Infosys Technologies Ltd.), M.M.K. Sardana (Secretary, MCA), Dr. Sheela Bhide (JS, MCA). Standing (L to R) N. Srinivasan (DG, CII), N.K. Jain, Ashok Haldia, Mahesh Anant Athavale, Sunil Goyal (President, the ICAI) and C. Banerjee (Sr. Director, CII).



**2011 - Corporate Governance Conclave on Integrating Sustainability into Corporate DNA - Release of CG Insights** - Standing from Left: N.K. Jain, Dr. J.J. Irani, Nesar Ahmad, Dr. M. Veerappa Moily, Sheila Dikshit, Arun Maira and CS Sudhir Babu.



**2011 - Corporate Governance Conclave on Integrating Sustainability into Corporate DNA - Panel Discussion on Mainstreaming Sustainability in Business Strategy** - Sitting from Left: Ajit Singh (Executive Vice President, Corporate Infrastructure & Services, L&T Ltd.), Shikhar Jain (Sr. Counsellor, CII-ITC Centre of Excellence for Sustainable Development), Sona Shrivastava (CSR Head - South Africa, Intel Technology Pvt. Ltd.) and Dr. Sunil K. Sinha (Head & Sr. Economist, CRISIL).



**2011 - Meeting of the ICSI delegation with Chairman, SEBI** - Standing from Left (Front row): Sanjay Grover, Usha Narayanan (ED, SEBI), U.K. Sinha (Chairman, SEBI), Anil Muraka, Amarjeet Singh (CGM and Executive Asstt. to Chairman, SEBI), Nesar Ahmad, N.K. Jain and Sonia Baijal. (Back row) S.N. Ananthasubramanian and B. Narasimhan.



**2012 - Conferment of IOD Distinguished Fellowship** - Nesar Ahmad (President, The ICSI) receiving the IOD Distinguished Fellowship from Dr. M. Veerappa Moily (Hon'ble Minister of Corporate Affairs & Power) in the presence of Lt. Gen. J.S. Ahluwalia, PVSM (Retd.) (President, Institute of Directors).



**2012 - 2nd ICSI Corporate Governance Week on Good Governance for Sustainability** - Programme held at Bangalore - Release of ICSI Publication titled Role of Company Secretary in Corporate Governance - Standing from Left: Gopalakrishna Hegde, G. M. Ganapathi, Justice M.N. Venkatachaliah (Former CJI), S.N. Ananthasubramanian, S.S. Marthi and C. Dwarkanath.



# Activity Highlights of August, 2025

## MEETINGS WITH DIGNITARIES

- Shri Kiren Rijju, Hon'ble Minister of Parliamentary Affairs, & Minister of Minority Affairs
- Shri Ramnath Thakur, Hon'ble Minister of State for Agriculture and Farmers Welfare
- Shri Satish Chandra Dubey, Hon'ble Minister of State for Coal and Mines
- Shri Upendra Kushwaha, Hon'ble Member, Rajya Sabha
- Shri Pradeep Kumar Singh, Hon'ble Member, Lok Sabha
- Shri Rajesh Verma, Hon'ble Member, Lok Sabha
- Dr. Bhim Singh, Hon'ble Member, Rajya Sabha
- Dr. Dharmshila Gupta, Hon'ble Member, Rajya Sabha
- Shri Jishnu Barua, Chairperson, Central Electricity Regulatory Commission

## ICSI AWARDS : CELEBRATING 25 YEARS OF EXCELLENCE IN CORPORATE GOVERNANCE

The Institute is proud to celebrate 25 years of corporate governance awards—a remarkable milestone that reflects our unwavering commitment to ethical leadership, transparency, and accountability that continues to shape the business landscape. Over the past quarter-century, these awards have recognized organizations and leaders who exemplify the highest standards in governance practices, fostering trust among investors, employees, and the broader community. Building on this distinguished tradition, the Institute has launched the 25<sup>th</sup> edition of the ICSI National Awards for Excellence in Corporate Governance. Applications are invited under the following prestigious categories:

- 25<sup>th</sup> ICSI National Awards for Excellence in Corporate Governance
- 25<sup>th</sup> ICSI Lifetime Achievement Award
- 10<sup>th</sup> ICSI CSR Excellence Awards
- 4<sup>th</sup> ICSI Business Responsibility and Sustainability Awards

## LAST DATE FOR APPLICATION EXTENDED TO AUGUST 31, 2025

For comprehensive details regarding application procedures, eligibility criteria, and submission guidelines, visit: [https://icsi.edu/home/cg\\_award/](https://icsi.edu/home/cg_award/)

## THE ICSI PULSE: THINK GOVERNANCE THINK ICSI - ICSI PODCAST SERIES

The Institute of Company Secretaries of India (ICSI) unveiled its Podcast Series, The ICSI Pulse: Think Governance Think ICSI, a thoughtfully crafted initiative to apprise ICSI stakeholders about the latest developments at the ICSI along with updates from Corporate Sector. The ICSI Pulse is aimed at bringing knowledge, perspectives and inspiration through insightful conversations with industry leaders, policy makers and subject matter experts.

## 53<sup>RD</sup> NATIONAL CONVENTION OF COMPANY SECRETARIES – REGISTRATIONS OPEN

The Institute is delighted to announce the much-awaited mega event i.e., the 53rd National Convention of Company Secretaries, to be held during October 31 & November 1-2, 2025 at Hotel Grand Hyatt Kochi Bolgatty at scenic coastal city of Kochi, Kerala on the theme “Progressive, Inclusive, and Sustainable Bharat”. This year’s theme reflects a forward-looking vision for India, emphasizing growth that embraces inclusion and sustainability—perfectly aligned with the evolving role of Company Secretaries in nation-building. All are requested to mark your calendars and register at <https://tinyurl.com/53NCCS>

## IFSCA-ICSI OUTREACH PROGRAMME ON “OPPORTUNITIES FOR PROFESSIONAL & TECHNOLOGY SERVICES PROVIDERS AT GIFT-IFSC

ICSI has inked MoU with GIFT IFSC & IFSCA to facilitate Corporate Governance, Compliance Audit in IFSCs & to help develop GIFT-IFSC as a Global Compliance Services Export Hub and promote export of Legal, Compliance and Secretarial Services. Pursuant to this MoU, ICSI- IFSCA conducted an outreach programme for the opportunities available for Company Secretaries specifically for practising members at GIFT IFSC on August 27, 2025 at ICSI House, Noida.

Keynote Address	Shri K. Mahipal Reddy, Executive Director, IFSCA
Unlocking opportunities for Professional and Technology Services Providers at GIFT-IFSC	Shri Sathyaraj CM, General Manager, IFSCA
Panel Discussion	Shri Sameer Rastogi (India Juris LLP), Shri Premnarayan Tripathi (Divine Governance Professional IFSC LLP), and Shree Meet Thakkar (In.Corp Corporate Services LLP)

## CAPACITY BUILDING SERIES

	FEMA	GST including Litigation	IPR
	<b>Session-6</b>		<b>Session-1</b>
<b>Topic</b>	Cross Border Trade	All about ITC and Refund	Introduction to IPR & Trademark Practice & Procedure
<b>Date</b>	August 04, 2025	August 05, 2025	August 10, 2025
<b>Faculty</b>	Mr. Suhas Bendre, Founder & Managing Partner, Bendre Consultancy LLP	CS Bimal Jain, Founder, A2Z Taxcorp LLP	CS (Dr.) Ajay Garg, Social Entrepreneur
	<b>Session-7</b>		<b>Session-2</b>
<b>Topic</b>	FEMA and Residential Status	Classification & Exports under GST	Trademark Litigation & Enforcement
<b>Date</b>	August 11, 2025	August 12, 2025	August 17, 2025
<b>Faculty</b>	CS Kuldeep Ruchandani, Partner, KPRC & Associates	Mr. A S Bisla, Senior Advisor, CII	CS Kunal Sarpal, Founding & Managing Partner, White Collar Legal LLP
	<b>Session-8</b>		<b>Session-3</b>
<b>Topic</b>	ODI in Financial Services Sector & Approvals and Other Aspects	GST Litigation - I	Copyright Practice & Procedure
<b>Date</b>	August 18, 2025	August 19, 2025	August 24, 2025
<b>Faculty</b>	CS Sunil G. Nanal, Partner, KANJ & Co. LLP	CS Rahul Dhanuka, Partner, Khaitan & Co.	Ms. Isha Sharma, Founder, Trayambak and Viadroit
	<b>Session-9</b>		<b>Session-4</b>
<b>Topic</b>		GST Litigation - II	Patent Practice & Procedure
<b>Date</b>		August 26, 2025	August 31, 2025
<b>Faculty</b>		CS Vikas Y Khare, Former VP, ICSI & CS Mandar Sathe, Partner, KANJ & Co. LLP	CS Tarun Jain, Founder, Tarun Jain & Associates

## EEE 5.0: MASTER KNOWLEDGE SERIES

Date	Topic	Faculty	Link
August 06, 2025	RPTs: Compliances to Best Practices	CS Sanjeev Grover, Executive Officer & CS, Maruti Suzuki India Limited	<a href="https://youtube.com/live/GeRtlqyvfaQ">youtube.com/live/GeRtlqyvfaQ</a>
August 13, 2025	Effective Board Management and Role of Communication	CS B Murli, Former Director-Legal & CS, Nestlé India Limited	<a href="https://youtube.com/live/X-e8aCQ_Ro0">youtube.com/live/X-e8aCQ_Ro0</a>
August 20, 2025	Issue of Securities	CS B. Renganathan, Corporate Law Advisor	<a href="https://youtube.com/live/Ec8oB3C_YoY">youtube.com/live/Ec8oB3C_YoY</a>
August 27, 2025	Shareholder's Democracy and Activism	CS Pramod Kumar Rai, CS & Compliance Officer, Nestlé India Limited	<a href="https://youtube.com/live/icr6juVgblU">youtube.com/live/icr6juVgblU</a>

## MSME &amp; STARTUP CONNECT 2025

Date	Venue	Guests / Speakers	Participants
August 02, 2025	NIRC	Chief Guest: Dr. R.K. Bharti, Joint Director, Ministry of MSME Speakers: CS Rajiv Bajaj, Chairman, MSME & Start-up Board of ICSI CS (Dr.) Ajay Garg, Member, MSME & Start-up Board of ICSI	70
August 30, 2025	Varanasi	Chief Guest: Hon'ble Shri Ravindra Jaiswal, MoS (I/C) for Stamp, Court Fee and Registration, UP GoH: CS Sushil Kumar Kandoi, Member, Editorial Advisory Board, ICSI Speakers: CS Rajiv Bajaj, Chairman, MSME & Start-up Board of ICSI CS Pranav Kumar, PCS CS Ajay Jaiswal, Member, MSME & Start-up Board of ICSI	40

## REPRESENTATIONS SUBMITTED

Date	Purpose	Authority
August 18, 2025	Views and suggestions of ICSI on the Central Electricity Regulatory Commission (Power Market) (First Amendment) Regulations, 2025	Central Electricity Regulatory Commission
August 21, 2025	Views and suggestions of ICSI on SEBI Consultation paper on “Revised Norms for appointment of an independent third-party reviewer/ certifier for green debt security”	SEBI
August 27, 2025	Request to recognize the profession of Company Secretary under the Central Electricity Regulatory Commission (Power Market) Regulations, 2021	Central Electricity Regulatory Commission

## PEER REVIEW CERTIFICATES ISSUED

During the month August 2025, Peer Review of around 140 Practice Units was completed and accordingly Peer Review Certificate issued. The updated list of Peer Reviewed Units can be accessed at [www.icsi.edu/media/webmodules/List\\_Peer\\_Reviewed\\_Practice\\_Units.pdf](http://www.icsi.edu/media/webmodules/List_Peer_Reviewed_Practice_Units.pdf)

## ONLINE SESSIONS

Online Sessions of following Courses were organized during the month:

- Capacity Building Program on Direct Tax
- Certificate Course on Valuation of Securities/Financial Assets- Batch 4
- Certificate Course on IBC Batch 6
- PMQ Course on Corporate Governance
- PMQ Course on Internal Audit
- PMQ Course on Arbitration
- PMQ Course on Direct Tax
- Crash Course on NBFC- Batch 3

## ANNOUNCEMENT OF PMQ RESULTS

The Results for PMQ Examination on Corporate Governance, Internal Audit and Arbitration held in June 2025 were released on August 25, 2025.

## TRAINING PROGRAMMES FOR EMPANELMENT OF PEER REVIEWERS

A Training Programme for empanelment of Peer Reviewers was organized at Bengaluru on August 23, 2025. The participants will be empanelled as Peer Reviewer upon completion of necessary formalities in this regard. More such training programmes will be conducted across the length and breadth of the Country in the days to come for the benefit of our members.

## E-ACADEMIC CELL

In the month of August, the Preliminary Round of the All-India Company Law Quiz 2025 was successfully conducted through the Learning Management System (LMS), engaging participants from across the country. In a significant collaborative effort, ICSI and the Capacity Building Commission launched a course on “**Basics of Company Law**” on the **iGOT Karmayogi portal**, aimed at strengthening

foundational legal knowledge. Furthermore, the “**Knowledge on Demand**” module on FEMA was made live, offering members a valuable resource for ongoing knowledge enhancement.

## PLACEMENT OPPORTUNITIES FOR COMPANY SECRETARIES

The ICSI stands committed to help all the associated companies and availing the services extended by the cell to conduct their recruitment drives for the position of Company Secretary/ CS Trainee in a time bound, hassle-free and mutually beneficial manner, and to help the members and students in getting the right placement offer. The Institute receives requests from various offices of the Government/ PSUs/ Banks/ Corporates regarding the positions of Company Secretary/ CS Trainee from time to time and resumes of eligible Members and Students are sent to them.

(August 2025)

No. of Corporates/ MCA and other Government Bodies/ PSUs/ PCS Firms that Posted Jobs on the ICSI Placement Portal	122
No. of Openings available on the ICSI Placement Portal	166

For more details, kindly visit ICSI Placement Portal - [placement.icsi.edu](http://placement.icsi.edu)

## ICSI PLACEMENT DRIVE, AUGUST 2025 AT ICSI HOUSE, SECTOR 62, NOIDA

The ICSI Placement Drive, August 2025 was conducted on August 30, 2025 at ICSI House, Sector 62, Noida. The Placement Drive was attended by 7 Recruiters (including Organisations and Firms) for their Company Secretary requirement(s). Around 25 members attended the Placement Drive. Candidates were shortlisted by various recruiters for their requirement, with Salary Package as high as Rs.12-14 lakh per annum.

## STEP ON: SKILL ENHANCEMENT WORKSHOP HELD ON AUGUST 30-31, 2025 AT ICSI, NOIDA

The Institute organised STEP ON: Skill Enhancement Workshop during August 30-31, 2025, at ICSI House, Sector 62, Noida. The Programme was designed and delivered by specialized agencies with expertise in Communication, Presentation and Interview readiness — a rare opportunity to gain a competitive edge for the NextGen CS. The workshop spanning over 14 hours high-impact Professional Skills like Communication, Presentation, Etiquette & Grooming and Negotiation & Client Handling.



**STATUS OF REGISTRATIONS AND POSTINGS AT THE PLACEMENT PORTAL**

(As on August 31, 2025)

Registered Users			Total no. of Vacancies
Members	Students	Corporates	Jobs / Trainings
21,336	32,682	7,810	36,960

**ICSI SECTION 8 COMPANIES****ICSI INSTITUTE OF INSOLVENCY PROFESSIONALS**

- WORKSHOPS**

Date	Subject	Speaker(s)	YouTube link
07/08/2025 and 08/08/2025	IBC Landscape: Evolving Judicial Interpretations, Regulatory Updates and Role of Authorized Representative	CS and IP Suhasini Ashok B. IP Divya Somani	<a href="https://youtube.com/watch?v=Jiu02s0I8p8">youtube.com/watch?v=Jiu02s0I8p8</a> <a href="https://youtube.com/watch?v=tG0wpSCy_zo">youtube.com/watch?v=tG0wpSCy_zo</a>
11/08/2025 and 12/08/2025	Recent Landmark Judgements in Personal Guarantor and CIRP Cases	Advocate and IP Devvart Rana	<a href="https://youtube.com/watch?v=2Cf1TVjIab4">youtube.com/watch?v=2Cf1TVjIab4</a> <a href="https://youtube.com/watch?v=hIH7CHml0rQ">youtube.com/watch?v=hIH7CHml0rQ</a>
<b>Perspectives on IBC - An Array (Series - XVI)</b>			
19/08/2025	Treatment of Pending Tax Liability under IBC	IP Anil Kohli	<a href="https://youtube.com/watch?v=PMR7yVfoqKA">youtube.com/watch?v=PMR7yVfoqKA</a>
20/08/2025	Corporate Restructuring under IBC	CS and IP Rajinder Kumar	<a href="https://youtube.com/watch?v=yuUEhm0uoeY">youtube.com/watch?v=yuUEhm0uoeY</a>
21/08/2025	Treatment of Contingent Liabilities under IBC	IP Hiten Parikh	<a href="https://youtube.com/watch?v=N-4Rv6x6PEI">youtube.com/watch?v=N-4Rv6x6PEI</a>
22/08/2025	Code of Conduct for CoC	CS and IP S. Rajendran	<a href="https://youtube.com/watch?v=nDzQBBEYJV4">youtube.com/watch?v=nDzQBBEYJV4</a>
23/08/2025	Role of Related Parties under IBC	CS and IP Prakul Thadi	<a href="https://youtube.com/watch?v=E7a4ISfEi_Y">youtube.com/watch?v=E7a4ISfEi_Y</a>
27/08/2025	Decoding IBC Amendment Bill and Journey of CIRP	CS and IP Sucheta Gupta CS and IP Suhasini Ashok B.	<a href="https://youtube.com/watch?v=TraFscIKxAw">youtube.com/watch?v=TraFscIKxAw</a>

- WEBINAR SERIES**

Date	Subject	Speaker(s)	YouTube link
02/08/2025	NCLT E-filing Process for Insolvency Professionals	CS and IP Anagha Anasingaraju	<a href="https://youtube.com/watch?v=rEuGvGqtEOo">youtube.com/watch?v=rEuGvGqtEOo</a>
06/08/2025	PMLA Vs. IBC: Judicial Trends, Landmark Judgments and Emerging Conflicts in Insolvency Jurisprudence	CS and IP Sucheta Gupta	<a href="https://youtube.com/watch?v=cQFeNz-uINk">youtube.com/watch?v=cQFeNz-uINk</a>
13/08/2025	Handling CIRP in Real Estate Sector	CS and IP Siva Rama Prasad Puvvala	Recording not available
25/08/2025	Managing CIRP of Pharmaceutical Sector	CS and IP Siva Rama Prasad Puvvala	<a href="https://youtube.com/watch?v=O9BE3DSiYm0">youtube.com/watch?v=O9BE3DSiYm0</a>

- Joint Programs**

ICSI IIP jointly with ICSI conducted Certificate Course on IBC on 19-08-2025 and 26-08-2025.

- Roundtable**

Date	Subject	Speaker(s)	YouTube link
14/08/2025	IBBI Discussion Papers dated 6 <sup>th</sup> & 12 <sup>th</sup> August, 2025	CS and IP Sucheta Gupta	<a href="https://youtube.com/watch?v=RsWuwNaMbDI">youtube.com/watch?v=RsWuwNaMbDI</a>

## ICSI REGISTERED VALUERS ORGANISATION

- **CPE (Continuing Professional Education) Programmes**

Date	Topic	Faculty
August 05, 2025	Valuation in Specific Scenarios	CS Gopalakrishna Raju
August 11, 2025	Case Studies	CS Gopalakrishna Raju
August 20, 2025	Valuation of a 5-Star Hotel, based on DCF Method	RV Pramod Jain
August 21, 2025	Financial Modelling templates for DCF, NAV and other methods	RV Sourabh Garg
August 23, 2025	Valuation of Private Equity, Venture Capital and Start-Up Valuations	RV Anurag Singhal
August 28, 2025	Case Study on Valuation of Mergers and Acquisitions	CS Rammohan Bhawe

## ICSI INTERNATIONAL ADR CENTRE

The ICSI IAC is seeking applications from professionals interested in being empaneled as Arbitrators. Interested members and professionals may visit <https://www.icsiadr.in> for detailed information on eligibility criteria and the application process.

## INSTITUTE OF GOVERNANCE PROFESSIONALS OF INDIA

- **4<sup>th</sup> ICSI Board Mentorship Programme**

The IGPI conducts the ICSI Board Mentorship Programme for Directors, including Independent Directors, Key Managerial Personnel, and Senior Managerial Personnel, to build hands-on, industry-relevant competencies that enable individuals to lead with impact in the domains of Corporate Governance and Sustainability. The programme focuses on enhancing leadership acumen, personal resilience, risk management capabilities, cross-functional skills, and strategic thinking—preparing participants to navigate the complexities of the modern corporate ecosystem. In line with this objective, IGPI is pleased to announce its 4<sup>th</sup> ICSI Board Mentorship Programme, to be held in Kalimpong, West Bengal, from 18<sup>th</sup> September to 21<sup>st</sup> September, 2025. For registrations visit [www.icsi.edu/media/webmodules/Flyer\\_for\\_4th\\_IBMP.pdf](http://www.icsi.edu/media/webmodules/Flyer_for_4th_IBMP.pdf)

## ICSI CCGRTs

### ICSI-CCGRT MUMBAI

- *02-Day Workshop on 'SME Listing' organised on August 02-03, 2025*

ICSI-CCGRT, Mumbai organized a comprehensive two days Residential/Non-Residential Workshop on 'SME Listing' on 02 & 03 August 2025. The workshop was well-received, with around 20 members in attendance.

- *13<sup>th</sup> session of Debating Society held on August 02, 2025*

13 <sup>th</sup> session	August 02, 2025	Is the onboarding process for Independent Directors sufficient to ensure their effective contribution to corporate governance?
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- *4<sup>th</sup> Non-Residential CLDP organised during August 05-22, 2025*

4<sup>th</sup> Non-Residential Corporate Leadership Development Program (CLDP) was successfully conducted from 5<sup>th</sup> to 22<sup>nd</sup> August 2025 at ICSI-CCGRT, Mumbai. The inaugural session was graced by CS K. Venkatraman, Senior Member and PCS, while the valedictory session was addressed by CS Aruna Pandey, Company Secretary, Equifax.

- *5<sup>th</sup> Non-Residential CLDP organised during August 19-Sept. 03, 2025*

5<sup>th</sup> Non-Residential CLDP is scheduled to be held from 19<sup>th</sup> August 2025 to 3<sup>rd</sup> September 2025 at ICSI-CCGRT, Mumbai. The program brought together 27 participants from across the country. The program is inaugurated by CS Ajay Agarwal, Company Secretary and Chief Compliance Officer, Brookfield Renewable – India.

### ICSI-CCGRT HYDERABAD

- *22<sup>nd</sup> Batch of Residential CLDP concluded on August 06, 2025*

*The ICSI-CCGRT, Hyderabad, successfully concluded the 22<sup>nd</sup> batch of its residential Corporate Leadership Development Program (CLDP) with a Valedictory Session held on 6<sup>th</sup> August, 2025. Forty-one participants from across the country attended the program. Shri A K Agarwal, Director, DRS Group presided over as Chief Guest. He was joined by CS R Venkata Ramana, Central Council Member and Convenor of CCGRT Hyderabad.*

- *02-Day Residential Research Conclave on Corporate Funding – Private Equity and Debt Raising*

*Two Days Residential Research Conclave on Corporate Funding – Private Equity and Debt Raising was organized on 7<sup>th</sup> & 8<sup>th</sup> August, 2025 at ICSI CCGRT, Hyderabad Campus. CS R. Venkata Ramana, Council Member, ICSI & Convenor, CCGRT, Hyderabad addressed at the Inaugural session. Shri KRM Kishore Kumar, IPS, Chairman of the AP State Road Safety Authority and a participant, addressed the gathering.*

Due Diligence and Investment Process	CS Venkata Ravi Oruganti, Founder & Partner, Integrius Advisors LLP
Drafting of Shareholder's Agreements & Share Subscription Agreements - Practical Aspects	CS Rahul Jain, Practising Company Secretary
Post-Investment Procedures & Compliances including FEMA	CS P. Navajyoth, Practising Company Secretary
Structuring of Investment Transactions & Drafting of Commercial Agreements	CS Noorul Hassan, Advocate

- 79<sup>th</sup> Independence Day celebrated

ICSI CCGRT, Hyderabad Chapter, jointly with ICSI Hyderabad Chapter, organized Independence Day celebrations on 15<sup>th</sup> August 2025 at ICSI CCGRT, Hyderabad campus.

## ICSI-CCGRT KOLKATA

- 2-Day Residential Programme on August 02-03, 2025

CCGRT Kolkata organized a two-day residential programme on "Latest Amendments and Updates in Corporate Laws & SEBI Regulations" during August 02-03, 2025.

Practical Implications, Compliance Challenges, and Future Outlook in Light of the Latest Amendments	CS V. G. Malagi, Head of Compliance, Tata Steel Limited
Updates in SEBI Regulations and Securities Laws	CS Atul Kumar Labh, PCS
Recent Amendments in the Companies Act 2013 and Related Corporate Laws	CS Ravi Varma, PCS
Notable Judicial Pronouncements under SEBI LODR and PIT Regulations	CS Rajesh Poddar, Deputy Company Secretary, ITC Limited

- 11<sup>th</sup> batch of Residential CLDP organised during August 12-26, 2025

CCGRT Kolkata successfully conducted 11<sup>th</sup> batch of Residential Corporate Leadership Development Programme (CLDP) during August 12-26, 2025. A total of 26 students participated in this batch. In the inaugural session, CS Sandip Kejriwal, Convenor of CCGRT Kolkata and Central Council Member of ICSI, along with CS Rupanjana De, Council Member of ICSI, addressed the participants. Shri Chandan Ji, Deputy RoC, graced the valedictory session.

- Virtual Programme of Debating Society of CCGRT Kolkata

The Debating Society of CCGRT Kolkata organized a virtual debate competition on August 14, 2025, on "Tariff is the New Weapon". The debate was moderated by CS Anil Kumar Dubey, CS Ravi Varma, and CS Davinder Kaur, mentors of the Debating Society. There were 20 participants for the event.

## ICSI REGIONAL OFFICES

### ICSI-EIRO

- Members' Programme

Date	Name of Event	Guest / Speaker
August 23-24, 2025	34 <sup>th</sup> Annual Regional Conference of EIRC on the theme "संचेतक" - Watchful Protector	<p>Guest: CS Rupanjana De, Central Council Member, The ICSI</p> <p><b>Speakers:</b></p> <p>CS Mohan Ram Goenka, PCS</p> <p>CS Subrata Kumar Ray, Former Chairman, EIRC</p> <p>CS Kaushik Mukherjee, CS &amp; CLO, ED, PCBL Chemical Ltd.</p> <p>CS Anup Kumar Sharma, Head - MB, SKP Securities Limited;</p> <p>CS Atul Kumar Labh, PCS</p> <p>CS Hansraj Jaria, PCS</p>

• *STUDENT' PROGRAMME*

Date	Name of Event / Activity
August 08-26, 2025	10 <sup>th</sup> 15-days Online CLDP
August 12-14, 2025	9 <sup>th</sup> Three Days Orientation Programme
August 12-14, 2025	10 <sup>th</sup> Three Days Orientation Programme
August 14, 2025	24 <sup>th</sup> All India Debate Competition - Kolkata Round
August 15, 2025	79 <sup>th</sup> Independence Day celebration
August 15, 2025	1 <sup>st</sup> Debating Society Session
August 19, 2025	23 <sup>rd</sup> All India Moot Court Competition – Kolkata Round
August 27-29, 2025	11 <sup>th</sup> Three Days Orientation Programme
August 27-29, 2025	12 <sup>th</sup> Three Days Orientation Programme

### ICSI-SIRO

• *STUDENT' PROGRAMME*

Date	Name of Event / Activity
August 05-07, 2025	4 <sup>th</sup> & 5 <sup>th</sup> Batch of TDOP
August 16, 2025	23 <sup>rd</sup> All India Moot Court Competition – Chennai Round
August 18, 2025	12 <sup>th</sup> Batch of Classroom CLDP
August 19, 2025	Commencement 37 <sup>th</sup> Batch of CSEET Coaching
August 19, 2025	CRT for Executive Module-I & II December 2025 exams
August 20-22, 2025	6 <sup>th</sup> Batch of TDOP
August 22, 2025	24 <sup>th</sup> All India Debate Competition – Chennai Round
August 23, 2025	Study Circle Meeting on “Laws relating to Stamp”

• *Other Activity*

Date	Name of Event/ Activity	Guest / Speaker
August 15, 2025	Independence Day Celebrations	E P Madhusudhanan

### ICSI WIRO

• *MEMBER'S PROGRAMMES*

Date	Name of Event/ Activity	Guest / Speaker
August 22-23, 2025	Annual Regional Conference 2025 on “Empowering Company Secretaries for a Dynamic Decade”	Dr. Medha Kulkarni, M.P. (Rajya Sabha), and CS Pawan G Chandak, Vice President, The ICSI

• *STUDENT PROGRAMMES*

Dates	Activity
August 01-03, 2025	3 <sup>rd</sup> Batch of TDOP
August 01-03, 2025	4 <sup>th</sup> Batch of TDOP
August 04-23, 2025	62 <sup>nd</sup> Batch of 15 Days Classroom Mode EDP
August 06-25, 2025	32 <sup>nd</sup> Batch of 15 days Classroom Mode Non-Residential CLDP
August 08, 2025	“Gujarat State Moot Court Competition” Final Round (State Level) hosted at GLS University, Ahmedabad
August 18, 2025	“Debate (Elocution) Competition 2025”- Preliminary Round

• *STUDY CIRCLE MEETINGS*

August 03, 2025	Kandivali Study Circle	Issue of Securities - Rights Issue, Preferential Allotment & Private Placement under Companies Act, 2013 and Adjudication thereof
August 29, 2025	L&T (Corporate) Study Circle	Demystifying Industry Standards Note on Related Party Transactions
August 30, 2025	Bhilai Study Circle	MCA V3 Filing- Updation

### ICSI-NIRO

• *MEMBER'S PROGRAMMES*

Date	Name of Event/ Activity	Guest / Speaker
August 15, 2025	79 <sup>th</sup> Independence Day Celebrations, 2025	President and Vice President, The ICSI
August 22, 2025	Workshop on “POSH Act – A Strategic Avenue for Company Secretaries	CS Manoj Kapoor, Founder & Director, Kapgrow Corporate Advisory Services Pvt. Ltd. CS Harmeet Kaur, PCS & IP
August 23, 2025	NCLT & NCLAT Conclave, 2025	<ul style="list-style-type: none"> <li>Chief Guest: Hon'ble Justice Shri Yogesh Khanna, Member (Judicial), Hon'ble NCLAT, New Delhi</li> <li>Special Guest: CS Virender Ganda, Former President, ICSI &amp; Senior Advocate</li> <li>Speakers: <ul style="list-style-type: none"> <li>CS S Dhanapal, PCS, Chennai</li> <li>CS Pavan Kumar Vijay, Former President, ICSI</li> <li>Dr. Ashok Mishra, Council Member, ICSI (Govt. Nominee) &amp; Ex-Technical Member, NCLAT</li> <li>CS Nesar Ahmad, Former President, ICSI</li> <li>Shri Vipul Ganda, Corporate Lawyer &amp; NCLT/NCLAT Practitioner</li> <li>CS Gaurav Kumar, NCLT Practitioner</li> </ul> </li> </ul>



## • STUDENT PROGRAMMES

Dates	Activity
August 05-07, 2025	10 <sup>th</sup> Batch of TDOP
August 12-14, 2025	11 <sup>th</sup> Batch of TDOP
August 12-30, 2025	21 <sup>st</sup> Batch of Online CLDP Webinar Mode
August 19-21, 2025	12 <sup>th</sup> Batch of TDOP
August 20, 2025	39 <sup>th</sup> Batch of 15 Days Classroom Mode Non-Residential CLDP commenced
August 20, 2025	24 <sup>th</sup> All India Debate Competition – 2025 (Delhi RO Round)
August 22, 2025	23 <sup>rd</sup> All India Moot Court Competition – 2025 (Delhi RO Round) organized
August 25, 2025	59 <sup>th</sup> Batch of 15 Days Classroom EDP commenced
August 26-28, 2025	13 <sup>th</sup> Batch of TDOP
August 27, 2025	ICSI-NIRC Debating Society - Class 2 conducted

## ICSI EMPLOYEES

- Webinar on “Managing Joint Pains” organized on August 21, 2025

A webinar was organized on August 21, 2025 on the topic “Managing Joint Pains” by Dr. Reddy’s Foundation for the benefit of ICSI employees and pensioners. All employees/veterans participated in the webinar presented by Dr. Winnie, Ortho Specialist.

## ICSI STUDENTS

### CAPACITY BUILDING WEBINAR SERIES FOR STUDENTS

ICSI has launched a webinar series dedicated to empowering aspiring Company Secretaries. This initiative has been specially designed to equip CS students with essential, future-ready skills that complement their academic and professional journey. During the month, following webinars were conducted:

August 03, 2025	Behavioural Skills (Focus on Professional skills (Session-II))
August 10, 2025	Artificial Intelligence and AI tools
August 24, 2025	Office Culture and Office Management (Session-I)
August 31, 2025	Office Culture and Office Management (Session-II)

## ALL INDIA COMPANY LAW QUIZ 2025

The Company Law is a core subject under the Company Secretaryship Course. All India Company Law Quiz facilitates enhancing participation levels and the competitive spirit among the students. The objective of

this competition is to upgrade the knowledge levels of students in Company Law and allied areas and to generate interest among the students for in-depth study of the subject including greater conceptual clarity. The Schedule of Rounds of the Competition will be held via Online/Physical Mode as per the following:

Round	Date	Pattern
Preliminary	August 12, 2025 (10AM - 5PM)	Online Mode (MCQ pattern)
Quarter Final	September 12, 2025 (10AM - 5PM)	
Semi-Final	October 14, 2025 (10AM - 5PM)	
Final	November 08, 2025	Physical/Virtual as decided by ICSI

## FACILITATION AND RELAXATION

- **Declaration of CS Executive & Professional Programme Result**

Result of CS Executive Programme New Syllabus (2022), & Professional Old Syllabus (2017) & New Syllabus (2022) for June 2025 Session of Examination was declared on 25<sup>th</sup> August, 2025. The result along with individual candidate’s subject-wise break-up of marks has been made available on the Institute’s website: [www.icsi.edu](http://www.icsi.edu)

- **Successful configuration of December 2025 Enrolment Setup for Executive & Professional New Syllabus (2022)**

The last session of examination of Professional Programme under Old Syllabus (2022) was held in June 2025. Accordingly, Enrolment Setup has been activated for Executive & Professional New Syllabus (2022) students with revised Examination Fee.

- **CS Mitra Scheme:**

ICSI has introduced CS Mitra incentive Scheme wherein any person who is above 18 years of age is eligible to become CS Mitra under the scheme. Incentive @ ₹500 will be paid per student to the CS Mitra for each student registered in Executive Programme. To register visit: [smash.icsi.edu/Scripts/Registration/Mitra\\_Registration.aspx?rmode=1#](http://smash.icsi.edu/Scripts/Registration/Mitra_Registration.aspx?rmode=1#)

- **ICSI Students Education Fund Trust (SEFT):**

With a view to encourage and motivate economically backward and academically bright students to pursue the Company Secretaryship Course, a Trust, viz., “ICSI Students Education Fund Trust” has been established by the Institute. Eligible students are fully exempted from paying the various fees payable under Executive and Professional Programmes.

- **Welcome Back Scheme via Re-Registration Policy**

The Institute has introduced a special scheme for students who have passed the Executive Programme

but did not register for Professional Programme - have an expired registration term and not eligible for de-novo. Such students can continue their study from Professional Programme, eliminating the need to repeat the Executive level.

As a result, **714** students registered in Professional Programme since May 2014. The detailed information is available at: [icsi.edu/docs/Webmodules/REREGISTRATION.pdf](https://www.icsi.edu/docs/Webmodules/REREGISTRATION.pdf)

- ***Encouraging Students to Complete CS Course After Passing Executive Programme***

For students who started their CS Course but due to some personal reasons, discontinued after passing the Executive, the Institute is regularly communicating to encourage them to register for Professional to complete their CS Course. As a result, **13706** students registered in Professional Programme since August 2023.

- ***ICSI Waiver Scheme for Indian Armed Forces, Paramilitary Forces, Agniveers And Families Of Martyrs***

The Institute in alignment with the various initiatives of Govt. of India has launched ICSI Waiver/ Concession scheme for Indian armed forces, paramilitary forces, Agniveers and families of Martyrs. Under the scheme, 100% concession will be given to the various categories in full Fee payable at the time of Registration in CS Executive programme.

- ***Granting Associate Membership immediately after completion of CLDP 30 days/15 days in Online Mode (Alternative Method)***

The Institute has launched a scheme for allotment of Associate Membership Number to the CS students on the last day of CLDP 30 days/15 days in Online Mode (Alternative Method- through LMS on anytime/ anywhere basis) subject to fulfilment of all the other conditions necessary for obtaining the Membership Number.

- ***ICSI Samadhan Diwas***

58<sup>th</sup> Samadhan Diwas was organised on August 13, 2025 through virtual mode for “on-the-spot” resolution to issues/grievances of students. In the Samadhan Diwas, students get opportunity to present their cases and interact directly with the Officials of the ICSI.

- ***Transcripts & Education Verification***

It has been observed that on completion of Course the professionals are also applying for Foreign Courses / degrees /or immigration based on CS Qualification. During the month, **14** Transcripts were issued.

Likewise, on request of the employer/PSU/government authorities and other Education verifier agencies, **03** Education Verification requests of CS students were processed.

- ***Registration for Classes by Regional/Chapter Offices at the time of Executive Programme Registration***

Institute has facilitated Executive Programme students to register directly for the Executive Programme classes conducted by the Regional/Chapter Offices at the time of Executive registration. This will help the students to join classes at their nearest Regional/chapter Office.

- ***Paper Wise Exemption on the Basis of Higher Qualifications***

The Institute has decided that the students enrolling into the Company Secretary Course under New Syllabus, 2022 shall be eligible for paper-wise exemption (s) based on the higher qualifications acquired by them. Accordingly, necessary announcement including process of claiming paper-wise exemption has been shared for information to all concerned: [www.icsi.edu/media/webmodules/ATTENTION\\_STUDENTS\\_RECIPROCAL\\_EXEMPTION\\_NEW\\_SYLLABUS\\_2022\\_Updated.pdf](https://www.icsi.edu/media/webmodules/ATTENTION_STUDENTS_RECIPROCAL_EXEMPTION_NEW_SYLLABUS_2022_Updated.pdf)

- ***Professional Programme Pass Certificate of ICSI in Digilocker***

The Institute decided to issue Professional Programme Pass Certificate online via DIGILOCKER. The students who passed on or after June 2021 Session of Examination can download Professional Pass Certificate from DIGI Locker.

- ***Real Time Guidance for Students***

The Institute has prepared Frequently Asked Questions (FAQs) on the queries received from Stakeholders / Students to give more clarity on the issues and real time guidance. The FAQs are hosted on website at:

- *Executive Switchover* : [icsi.edu/media/webmodules/ExecutiveFAQ\\_SW\\_24082023.pdf](https://www.icsi.edu/media/webmodules/ExecutiveFAQ_SW_24082023.pdf)
- *Professional Switchover to New Syllabus*: [www.icsi.edu/media/webmodules/Executive\\_FAQ\\_SW\\_23022023.pdf](https://www.icsi.edu/media/webmodules/Executive_FAQ_SW_23022023.pdf)

- ***Dedicated Helpline Number for Student Queries***

The ICSI has introduced a dedicated helpline number to handle queries related to Student Registration, Post Registration, Class Room Teaching and Enrolment. Students can contact at 0120-4082170 (From Monday to Friday 9.30 A.M. to 5.30 P.M.).

- ***Activation of Switchover Option along with Pre-Examination Fee for Professional Programme Old Syllabus (2017) Students***

The Institute has notified that candidate who have registered under the CS Professional old syllabus (2017) can switch over to CS Professional new syllabus (2022) comprising 7 papers. Accordingly, the portal for switchover from old syllabus (2017) to New Syllabus (2022) along with Pre-Examination Fee has been activated for Professional Programme Students w.e.f., November 20, 2023.

- ***Compulsory Bulk Switchover from Old Syllabus-2017 to New Syllabus – 2022***

The last examination under Professional Programme (Old



Syllabus) has been conducted during June, 2025 Session. From December, 2025 Session onwards, all students under Professional Programme (Old Syllabus) shall be compulsorily required to switchover to Professional Programme (New Syllabus). No further extensions will be granted for the Professional Programme under the 2017 (Old) Syllabus. Starting from December 2025 for Professional Programme students, a compulsory switch to the New Syllabus will be applicable.

## TRAINING OPPORTUNITIES

During the month, following training opportunities were posted on the Placement Portal:

No. of Corporates/ MCA and other Government Bodies/ PSUs/ PCS Firms that Posted Training and Semi qualified Job Opportunities on the ICSI Placement Portal	204
No. of Training/Semi qualified Opportunities available on the ICSI Placement Portal	431

For more details, kindly visit ICSI Placement Portal - [placement.icsi.edu/PlacementApp/](http://placement.icsi.edu/PlacementApp/)

## COMPANY SECRETARY EXECUTIVE ENTRANCE TEST (CSEET)

### Centralized online Classes of CSEET

ICSI conducts online Centralized classes for the students registered for the upcoming Session of CSEET. Faculties with vast experience take these classes.

### Registration for CSEET Classes at the time of CSEET Registration

CSEET students can register directly for CSEET classes conducted by Regional/Chapter Offices at the time of CSEET registration. This will help the students to join classes hassle free at their nearest location. Link to register [smash.icsi.edu/Scripts/CSEET/Instructions\\_CSEET.aspx](http://smash.icsi.edu/Scripts/CSEET/Instructions_CSEET.aspx)

### Exemption to Graduates and Post Graduates from appearing in CSEET and enabling them to take direct admission in CS Executive Programme

Graduates or Post Graduates (without any criteria of minimum % of marks) in any discipline of any recognized University or any other Institution in India or abroad recognized as equivalent thereto by the Council are exempt from appearing in CSEET enabling them to take direct admission in CS Executive Programme on payment of applicable exemption fees along with requisite registration fees. For more details, click [www.icsi.edu/media/webmodules/granting\\_exemption\\_230621.pdf](http://www.icsi.edu/media/webmodules/granting_exemption_230621.pdf)

### CSEET Guide – I and CSEET Guide – II to be provided mandatorily to all students

The Institute has decided that the **CSEET Guide – I** and **CSEET Guide – II** will be sent to all the students registering for CSEET by post, for which ₹500 will be taken at the time of registration from the students registering for CSEET in addition to ₹1500 (CSEET Registration fee).

### CSEET Reference Reading Material (I and II) for all students at the time of CSEET registration on optional basis

CSEET Reference Reading Material (I and II) will be provided optionally to all the students at the time of CSEET registration. Students are required to remit ₹1000 in addition to ₹2000. The same is available at: [www.icsi.edu/reference-reading-material/](http://www.icsi.edu/reference-reading-material/)

## KNOWLEDGE UPGRADATION

### Student Company Secretary e-journal for Executive/ Professional Programme students of ICSI and CSEET Communique have been released for the month of August, 2025. The journals are available at: [www.icsi.edu/e-journals/](http://www.icsi.edu/e-journals/)

### Research Tab under Academic Portal to sensitize students on emerging issues through research based academic outputs. Access at [www.icsi.edu/student-n/academic-portal/research-corner/](http://www.icsi.edu/student-n/academic-portal/research-corner/).

### Recorded Video Lectures of eminent faculties to help students to prepare for examination. Access recorded videos available on E-learning platform by logging in to [elearning.icsi.in](http://elearning.icsi.in)

Login credentials are sent to all registered students at email. After successful login, go to “My courses” or “My Communities” section, where you can find the recorded videos and other contents.

### Info Capsule: Daily update for members and students, covering latest amendment on various laws for benefits of members & students available at [www.icsi.edu/infocapsule/](http://www.icsi.edu/infocapsule/)

### Supplements for all the subjects of Executive and Professional Programme under Syllabus 2022 as applicable for December 2025 examinations have been uploaded on ICSI website.

### Guideline Answers having questions and solutions year wise and module wise pertaining to June 2025 CS Examinations have been uploaded under Academic Portal on ICSI website.

## CAREER AWARENESS

### Career Awareness Programmes conducted across the country by ICSI-HQ, Regional and Chapter offices

S. No.	Region	Name of Institution	Date	Venue
1.	NIRC	Montfort Public School, Ashok Vihar Delhi	02.08.2025	Delhi
2.	NIRC	St Martin School Delhi Cantonment	08.08.2025	Delhi
3.	NIRC	Cambridge Foundation School	13.08.2025	Delhi
4.	NIRC	GGSSS No-2	19.08.2025	Delhi
5.	NIRC	Rajkiya Pratibha Vikas Vidyalaya	20.08.2025	Delhi

6.	NIRC	Titiksha Public School	25.08.2025	Delhi
7.	SIRC	Mahalakshmi Women's College of Arts & Science	05.08.2025	Chennai
8.	SIRC	Shri Krishnaswami Matriculation Hr. Sec. School	13.08.2025	Chennai
9.	SIRC	Sriram College of Arts and Science	25.08.2025	Chennai
10.	SIRC	Shri Krishnaswami College for Women	26.08.2025	Chennai
11.	EIRC	Belegkata Deshbandhu Girls High School (H.S.)	04.08.2025	Beliaghata
12.	EIRC	Mahadevi Birla World Academy	05.08.2025	Kolkata
13.	EIRC	Lions Calcutta Greater Vidya Mandir	07.08.2025	Rajpur
14.	EIRC	Vivekananda Mission School,	11.08.2025	Haldia
15.	EIRC	The Assembly of God Church,	11.08.2025	Haldia
16.	EIRC	DAV Public School,	11.08.2025	Haldia
17.	EIRC	Kendriya Vidyalaya IOC	11.08.2025	Haldia
18.	EIRC	Don Bosco School	12.08.2025	Bandel
19.	EIRC	Mahadevi Birla World Academy	26.07.2025	Kolkata
20.	EIRC	Modern High School International	29.08.2025	Kolkata
21.	EIRC	South City International School	29.08.2025	Kolkata
22.	WIRC	Vedanta College of Management	26.08.2025	Ulhasnagar

#### • Career Fairs Participation by ICSI-HQ

ICSI-HQ through its chapters participated in Career Fairs at:

Region	Event Name	Chapter	Date	Venue
NIRC	Vidya Mandir Public School (VMPS)	Faridabad	23.08.2025	Faridabad
NIRC	Titiksha Public School	NIRO	25.08.2025	Rohini, Delhi
NIRC	Aster Public School	Noida	28.08.2025	Noida Extension
NIRC	GD Goenka School	ICSI HQ	28.08.2025	Azadpur, Delhi

#### • Career Guidance Sessions conducted

Career guidance programmes are conducted to help students, their families, teachers, and peer groups make informed decisions regarding their career paths. Invites were received from the following for conducting Career Guidance Sessions:

- Navodaya Vidyalaya Samiti for conducting Career guidance sessions across their schools.
- NESTS, Ministry of Tribal Affairs for conducting Career guidance sessions across EMRS schools in the country.
- Central Board of Secondary Education for conducting Career guidance sessions across all their schools in the country.

Based on the circular, ICSI is conducting Career Guidance sessions across their schools.

#### • Initiative on displaying Career Guidance Flyer at the website or other platforms of local/state

As part of its ongoing efforts to promote Career Awareness and guidance, ICSI recently collaborated with the National Institute of Open Schooling (NIOS) to display the ICSI Career Guidance flyer on their official website. This initiative is aimed at enhancing visibility and outreach for our profession among students at the school level.

#### • Coordination with District Magistrates for Propagation of Company Secretaryship Course through Gram Panchayats

To strengthen the penetration of its Career Awareness initiatives, the Institute has resolved to seek active support of the District Magistrates (DMs) across the country. DMs being the administrative heads of districts, can play a catalytic role in facilitating the conduct of ICSI's CAPs in schools, colleges, universities, and most importantly, through Gram Panchayats.

To this effect, the letters addressed to the District Magistrates are being sent through concerned Regional/Chapter offices appealing them to extend support by issuing directives to educational institutions and Gram Panchayats under their jurisdiction, enabling ICSI to propagate the CS Course in a structured and impactful manner.

#### DIGITAL ICSI

- Upgradation of COSMIC Document Management System platform from Microsoft SharePoint 2013 to SharePoint 2019.
- Implementation of Compulsory Switchover process for Professional Programme from 2017 to 2022 syllabus. Approx. 1.10 lakh students were switched over as per guidelines.
- Declaration of Result for June 2025 Session successfully on August 25, 2025.



# 79<sup>th</sup> Independence Day Pan India Celebrations held on August 15, 2025







ICSI-CCGRT, Hyderabad



Kochi



Kota



Belagavi



Noida



Faridabad



Bhubaneswar



## EEE 5.0: Master Knowledge Series

### WEBINAR ON

#### Related Party Transactions: Compliances to Best Practices held on August 6, 2025



**Faculty:**  
**CS Sanjeev Grover**  
Executive Officer & Company  
Secretary, Maruti Suzuki India Limited



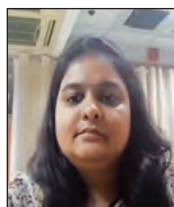
**Moderator:**  
**CS Kushal Kumar**  
The ICSI

### WEBINAR ON

#### Effective Board Management and Role of Communication held on August 13, 2025



**Faculty:**  
**CS B Murli**  
Former Director - Legal & Company  
Secretary, Nestle India Limited



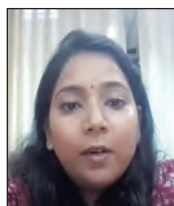
**Moderator:**  
**CS Surbhi Jain**  
The ICSI

### WEBINAR ON

#### Issue of Securities held on August 20, 2025



**Faculty:**  
**CS B. Renganathan**  
Corporate Law Advisor



**Moderator:**  
**CS Muskan**  
The ICSI

### WEBINAR ON

#### Shareholder's Democracy and Activism held on August 27, 2025



**Faculty:**  
**CS Pramod Kumar Rai**  
Company Secretary and Compliance  
Officer, Nestlé India Limited



**Moderator:**  
**CS Yogesh Kumar Jha**  
The ICSI

## Capacity Building Series on 'IPR'

### WEBINAR ON

Introduction to IPR &  
Trademark Practice &  
Procedure -August 10, 2025



**Faculty:**  
**CS (Dr.) Ajay Garg**  
Social Entrepreneur

### WEBINAR ON

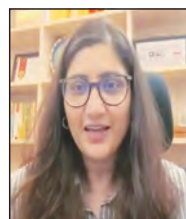
Trademark Litigation &  
Enforcement -  
August 17, 2025



**Faculty:**  
**CS Kunal Sarpal**  
Founding & Managing Partner,  
White Collar Legal LLP

### WEBINAR ON

Copyright Practice &  
Procedure -  
August 24, 2025



**Faculty:**  
**Ms. Isha Sharma**  
Founder, Trayambak and Viadroit

### WEBINAR ON

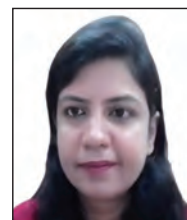
Patent Practice & Procedure -  
August 31, 2025



**Faculty:**  
**CS Tarun Jain**  
Founder, Tarun Jain & Associates



**Moderator:**  
**CS Surbhi**  
The ICSI

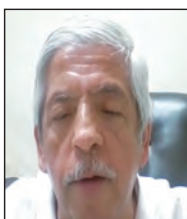


**Moderator:**  
**CS Kanika**  
The ICSI

## Capacity Building Series on 'FEMA'

### WEBINAR ON

Cross Border Trade -  
August 4, 2025



**Faculty:**  
**Mr. Suhas Bendre**  
Founder and Managing Partner,  
Bendre Consultancy LLP

### WEBINAR ON

FEMA and Residential Status -  
August 11, 2025



**Faculty:**  
**CS Kuldeep Ruchandani**  
Partner, KPRC & Associates



**Moderator:**  
**CS Suruchi Verma**  
The ICSI



## Capacity Building Series on 'FEMA'

### WEBINAR ON

**Session-8: ODI in Financial Services Sector & Approvals and Other Aspects held on August 18, 2025**



**Faculty:**  
**CS Sunil G. Nanal**  
Partner, KANJ & Co. LLP



**Moderator:**  
**CS Suruchi Verma**  
The ICSI

## Capacity Building Series on 'GST including Litigation'

### WEBINAR ON

**All about ITC and Refund  
- August 5, 2025**



**Faculty:**  
**CS Bimal Jain**  
Founder, A2Z Taxcorp LLP

### WEBINAR ON

**Classification & Exports  
under GST - August 12, 2025**



**Faculty:**  
**Mr. A S Bisla**  
Senior Advisor, CII

### WEBINAR ON

**GST Litigation - I  
- August 19, 2025**



**Faculty:**  
**CS Rahul Dhanuka**  
Partner, Khaitan & Co.

### WEBINAR ON

**GST Litigation - II - August 26, 2025**



**Faculty:**  
**CS Mandar Sathe**  
Partner, KANJ & Co. LLP



**Faculty:**  
**CS Vikas Y Khare**  
Former Vice-President, The ICSI



**Moderator:**  
**CS Kanika**  
The ICSI



**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)

**ADVISORY W.R.T. FORM MGT-7 CERTIFICATION  
UNDER MCA V3 PORTAL**

Dear Professional Colleague,

The Ministry of Corporate Affairs (MCA) has recently deployed annual filing forms on MCA 21 V3 portal. Pursuant to the Companies (Management and Administration) Amendment Rules, 2025, certification in Form MGT-8 has been integrated with the E-form MGT-7 on V3 portal thereby capturing the certification under Form MGT-8 in a static field.

Referring to the FAQs issued by **MCA w.r.t Lot 3 forms**, FAQ No. 37. *any qualifying remarks about compliance can presently be added in the 'Optional Attachment field in Form MGT-7*, with specific reference to embedded portion of Form MGT-8. To further exercise due diligence and maintain credibility, it is hereby advised to continue to certify the compliances under Form MGT- 8 on the letter head of a Peer reviewed Practice Unit, generate UDIN in accordance with Guidelines issued by the Institute and attach the same as an optional attachment to Form MGT- 7, till the issuance of clarification/ Rules from the MCA in this context.

The Institute has already submitted a representation to the MCA on June 6, 2025 for modification in the layout of Form MGT-8 by reviewing Form MGT-7. The Representation is available at [https://www.icsi.edu/media/webmodules/Modification\\_in\\_MGT\\_8.pdf](https://www.icsi.edu/media/webmodules/Modification_in_MGT_8.pdf)

The members are also advised to refer the FAQs on the forms on MCA V3 portal available at [https://www.icsi.edu/media/webmodules/Lot\\_3.pdf](https://www.icsi.edu/media/webmodules/Lot_3.pdf) and the presentation on Annual e-forms available at [https://www.icsi.edu/media/webmodules/Lot3\\_Form\\_enhancements.pdf](https://www.icsi.edu/media/webmodules/Lot3_Form_enhancements.pdf) for smooth transition.

Regards,

CS Dhananjay Shukla  
President, ICSI

# 1

## GLOBAL CONNECT



- 
- Sustainability-Linked IPO Frameworks: Global Trends and India's Readiness
-



# Sustainability-Linked IPO Frameworks: Global Trends and India's Readiness

Sustainability-linked IPOs (SL-IPOs) are reshaping capital markets by directly tying ESG goals to public listings. As global investors increasingly value ethical business practices, regulators in the EU, US, and Asia-Pacific are establishing frameworks to embed sustainability into equity offerings. These models vary—from mandatory disclosures in Europe to evolving incentives in Asia—but all reflect a shared shift toward responsible growth. India, too, is gearing up for this transition, leveraging SEBI's BRSR Core framework and CSR legacy to align IPOs with sustainability agendas. Yet challenges remain, including the need for standardized SL-IPO mechanisms and deeper integration of ESG metrics. Within this landscape, Company Secretaries play a vital role in merging regulatory compliance with ethical stewardship. From embedding ESG KPIs in offer documents to guiding boards on sustainability narratives, they become the architects of conscience-driven listings. This article explores how SL-IPOs can redefine public market credibility—where values meet valuation.



**CS Satish Panditrao Bhattu, FCS**

Practicing Company Secretary, Mumbai  
[satishbhattu95@gmail.com](mailto:satishbhattu95@gmail.com)

## INTRODUCTION

**T**here was a time when going public simply meant ringing a bell on Wall Street, listing shares, and entering the scrutiny of the market. The Initial Public Offering was a financial milestone—a moment of triumph, marking a company's arrival into adulthood. But the twenty-first century has rewritten the script.

Today's capital markets are no longer neutral corridors of commerce. They are charged arenas where climate risk, social justice, and corporate ethics are not background noise—they are front-row centre. The IPO is no longer just a fiscal transaction; it is a narrative declaration. It says: *This is what we value. This is who we serve.*

In response, a new archetype has emerged: the Sustainability-Linked IPO, or SL-IPO. These are not just about raising capital—they are about raising accountability. By embedding environmental, social, and governance (ESG) targets into the offer structure, companies commit—openly, measurably—to stakeholder impact. Carbon emissions reduction, board diversity, ethical supply chains: these are no longer side notes—they are deal breakers.

Across the globe, examples illuminate the shift and as this transformation unfolds, a quiet revolution is taking shape behind the scenes. Company Secretaries—once guardians of compliance—are becoming strategic ESG translators. They are crafting offer documents that speak to regulators and resonate

with investors. They are building bridges between the ethical and the executable. In this era, going public is no longer just an act of capitalization—it's an act of character.

## GLOBAL TRENDS SHAPING THE SL-IPO LANDSCAPE: A TRI-CONTINENTAL PERSPECTIVE

As the Sustainability-Linked IPO (SL-IPO) framework gains traction worldwide, the contours of its evolution are being shaped by three distinct regional forces: institutional regulation, market-driven narratives, and policy-culture hybrids.

In Europe, the momentum is unmistakably institutional. Anchored by the EU's Sustainable Finance Disclosure Regulation (SFDR), the Taxonomy Regulation, and the Corporate Sustainability Reporting Directive (CSRD), the continent has erected a comprehensive scaffolding for ESG accountability. These are not just guidelines—they are architectural pillars for sustainable finance. The success of sustainability-linked bonds (SLBs), which impose financial penalties for unmet ESG targets, has paved the way for similar innovations in equity markets. Here, the balance is clear: legislative weight paired with market incentives is nudging companies toward climate-conscious public offerings.

Across the Atlantic, in the United States, the ESG narrative is powered less by law and more by market influence. While federal regulations are still catching up—led in part by the SEC's efforts to formalize climate-related disclosures—the real engine is investor demand. In the U.S., sustainability is not mandated—it is monetized. SL-IPOs thrive in sectors where innovation and ESG aspirations align, especially tech and renewables.

Meanwhile, in the Asia-Pacific region, a fascinating blend of policy foresight and cultural responsibility is emerging. Exchanges in Singapore and Hong Kong have adopted ESG reporting mandates and introduced advisory frameworks that guide companies in green IPO practices. Japan, with its emphasis on stewardship codes and sustainable finance strategies, champions long-term value creation over quarterly gains. These markets craft SL-IPO narratives that resonate with both governmental vision and community values. Together, these regional currents are building a mosaic—a multipolar SL-IPO ecosystem where accountability is no longer an option, but a competitive edge.

## INDIA'S READINESS FOR SL-IPOs: EMERGENT YET EVOLVING

India stands at a pivotal crossroads in its financial evolution. With a rapidly growing appetite for green finance and a policy landscape beginning to take shape, the country is poised to transition from ESG rhetoric to ESG results. Yet, the pathway to structured Sustainability-Linked IPOs (SL-IPOs) remains formative—less of a superhighway and more of a developing arterial route. At the heart of this transition lies a trio of foundational forces—regulation, markets, and professional ecosystems—each quietly reshaping the contours of India's public equity story.

**On the Regulatory Front**, the groundwork is already underway. SEBI's mandate for the top 1,000 listed companies to adopt Business Responsibility and Sustainability Reporting (BRSR) marks a significant leap. It's not just compliance; it is consciousness embedded into the disclosure fabric. Add to that the 2023 Green Bond Regulations, which bring procedural clarity to fixed-income sustainability instruments. While equity adaptation still needs tailoring, the blueprint is clearly within reach. The government's push toward monetizing carbon reduction through a domestic carbon market framework reinforces the country's economic commitment to ESG integration—not just as ideology, but as investment logic.

**Market Dynamics**, too, are shifting. Investor sentiment, particularly among domestic mutual funds and foreign institutional stakeholders, is increasingly tethered to ESG benchmarks. They're not just looking for returns—they're looking for responsibility. Among issuers, India's large conglomerates are mapping ESG priorities into operational strategy, paving the way for ESG-conscious public offerings. Still, mid-cap and SME sectors lag, burdened by limited resources and competing priorities. This asymmetry signals both challenge and opportunity.

And then, there are the **Company Secretaries**—professionals once anchored to procedural rigor, now evolving into ESG evangelists. Through upskilling in sustainability assurance, SDG integration, and materiality analysis, they are becoming not just interpreters of compliance, but architects of ethical intent.

India's SL-IPO journey may be nascent, but its pulse is alive. The early signals—from regulation to markets to professionals—are converging. What is needed now is narrative muscle: stories of purpose-backed equity that redefine what it means to go public in an era of planetary accountability.

## THE STRATEGIC EVOLUTION OF COMPANY SECRETARIES: STEWARDS OF SL-IPO INTEGRITY

In the unfolding story of Sustainability-Linked IPOs (SL-IPOs), a new protagonist is stepping into the spotlight: the Company Secretary.

Once seen as the silent sentinel of procedural compliance, the Company Secretaries now find themselves in a dynamic role—where legal oversight intersects with strategic storytelling, and sustainability assurance becomes a hallmark of capital market maturity.

Their journey begins **before the IPO even takes shape**. At this early stage, they initiate ESG audits, ensuring that a company's internal systems are not just prepared—but purpose-driven. They guide boards toward composition that reflects ethical inclusivity, embedding diversity and sustainability into leadership DNA. With metrics tied to the Sustainable Development Goals (SDGs) or national ESG priorities, they help define success beyond profit.

As companies transition into the IPO phase, the Company Secretaries' role intensifies. They become the **narrative custodians** of the offer documents—embedding sustainability objectives directly into the red herring prospectus and Draft Red Herring Prospectus (DRHP). Claims around ESG are no longer promotional—they are verifiable, with third-party assurance mechanisms safeguarding credibility and investor trust.

But it does not stop at paperwork. These professionals are also the **architects of stakeholder alignment**. They craft compelling investor narratives that spotlight ESG milestones and tangible impact. Global sustainability jargon is translated into local relevance, ensuring that ambitions resonate across jurisdictions, from domestic mutual funds to global ESG funds.

And after the IPO bell rings, their job evolves yet again. In the **post-listing phase**, Company Secretaries facilitate periodic ESG reporting in alignment with SEBI's Business Responsibility and Sustainability Reporting (BRSR) framework. They monitor progress, oversee compliance audits, and ensure the SL-IPO commitments made on Day One remain visible and verifiable through the company's lifecycle.

## COMPARATIVE SNAPSHOT: GLOBAL VS. INDIAN SL-IPO READINESS

Dimension	EU	US	Asia-Pacific	India
Regulatory Framework	Robust (SFDR, CSRD)	Voluntary, SEC shift	ESG mandates rising	BRSR, Green Bonds
Market Maturity	Established SLBs & IPOs	Investor-led growth	Region-specific pilots	Early adoption phase
ESG Literacy (Corporate)	High	Moderate	Mixed	Emerging
Role of Governance Pros	Strategic integration	Narrative specialists	Culturally attuned	Opportunity-rich
IPO Documentation	ESG embedded	ESG-themed messaging	ESG-tied prospectuses	Limited integration

### Challenges to SL-IPOs in India



#### Absence of a Formal SL-IPO Regulatory Framework

SEBI has yet to issue specific guidelines for SL-IPOs, unlike its structured approach to green bonds.



#### Limited ESG Literacy Among Mid-Cap and SME Issuers

Many companies, especially outside Tier-1 cities, lack awareness or capacity to define and track sustainability KPIs.



#### Inconsistent ESG Data and Assurance Mechanisms

ESG metrics are often unaudited or self-reported, leading to credibility gaps.



#### Complexity in IPO Filing and Documentation

The IPO process is already documentation-heavy; adding ESG layers without simplification may deter issuers.

## CHARTING INDIA'S SL-IPO FUTURE: STRATEGY MEETS SOUL

As India approaches a new frontier in sustainable finance, the question is no longer *if* we are ready for Sustainability-Linked IPOs (SL-IPOs)—but *how* we craft the scaffolding to support their rise. The answers lie in a tapestry of bold policy foresight, empowered professional ecosystems, technological innovation, and a renewed commitment to investor consciousness.

At the **regulatory level**, India stands on the cusp of transformative clarity. If SEBI were to introduce a voluntary SL-IPO framework—mirroring its pioneering work with sustainability-linked bonds—it would allow companies to embed ESG commitments transparently within equity offerings. But transparency alone is not enough. We must also **standardize ESG KPIs**, building a national registry that draws from global frameworks like the SDGs and UN Principles for Responsible Investment, while aligning with India's own climate goals. This registry would serve as a common language for sustainability accountability.

But no framework thrives without human capability. Through **capacity building**, India can empower its financial stewards.

Technology will be our silent enabler. **RegTech platforms** can ensure real-time tracking of ESG metrics, converting sustainability promises into traceable outcomes. And **AI-powered audits** can streamline ESG data validation, ensuring IPO filings are not just hopeful, but verifiable. These tools will foster trust where it matters most: with the investors.

And speaking of investors—**education is essential**. Campaigns must demystify ESG-linked instruments, highlight their unique risk-reward dynamics, and introduce impact investing as a powerful narrative for capital stewardship.

## IPOs AS ETHICAL THRESHOLDS: REVIVING DHARMA IN THE BOARDROOM

But beyond metrics and mandates lies a more profound truth. An IPO is more than a financial transition—it is a declaration of collective intent. SL-IPOs elevate that act, merging profit with planetary promise. They whisper a bold question into the heart of capitalism: *Can wealth creation coexist with environmental regeneration? Can shareholder gain mirror stakeholder dignity?*

India, with its reservoir of ancient wisdom, has long known the answer. The **Arthashastra** taught us governance rooted in pragmatism and foresight. The **Upanishads** illuminated paths of balance, harmony, and inner ethics. SL-IPOs offer a modern echo of those philosophies—a chance to reframe accountability not as an obligation, but as aspiration.

In this ethical renaissance, the **Company Secretary** is no longer a guardian of legality alone. They are the **conscience of capitalism**, guiding boards not just through regulatory labyrinths, but across moral crossroads. They help organizations ask not just *what will we earn?*—but *what will we impact?*

## Pillars of ESG Compliance



## INDIA'S SL-IPO CHALLENGE: BUILDING THE BRIDGE FROM POTENTIAL TO PRACTICE

India's foray into Sustainability-Linked IPOs (SL-IPOs) holds undeniable promise. To unlock this new era of capital accountability, strategic resolve must accompany regulatory innovation.

## WAY FORWARD

As the Sustainability-Linked IPO (SL-IPO) framework gains traction worldwide, the contours of its evolution are being shaped by three distinct regional forces: institutional regulation, market-driven narratives, and policy-culture hybrids.

Investing in IPOs can be exciting and may offer high-growth potential—but it is not without risk. When IPOs falter, it's often due to inflated valuations, weak fundamentals, leadership issues, or unfortunate market timing. That's why it is essential for individual investors to conduct thorough research before participating. Whether you are exploring IPOs or considering more established stocks and ETFs, choosing a brokerage platform with flexible access can be helpful. Above all, aligning your investments with long-term financial goals and your comfort with market volatility is

key to making well-informed and resilient decisions.

## REFERENCES:

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## ARTICLES INVITED FOR GLOBAL CONNECT IN CHARTERED SECRETARY JOURNAL

Dear Member,

The ICSI invites articles for its prestigious Chartered Secretary Journal - a monthly publication on the critical aspects of the Company Secretary Profession from across the globe.

As the new age Governance Professional, it is imperative for Company Secretaries to enhance their knowledge and skills to effectively manage investor expectations and thrive in environment of disruption, uncertainty and change.

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It may please be noted that members are entitled to 4 CPE Credits under **clause 7.2 of Continuing Professional Education (CPE) Guidelines 2019**, if any of their article is published in the Chartered Secretary Journal or any UGC approved journal. Guidelines for Authors is placed at **Appendix-A**.

Should you require any further information, please feel free to connect with us.

We look forward to your significant contribution in building a global perspective for the Company Secretary Profession.

Sincerely,

Team ICSI

# Call For ARTICLES

## Call For Articles in CS Journal – October 2025 Issue



### Artificial Intelligence : Reshaping Governance Fundamentally

At a macro level, AI is being seen not merely as a technological advancement but as a strategic tool to enable inclusive growth and expand access to opportunities that have historically been out of reach for large segments of the population. However, as a profession dedicated and committed towards strengthening the governance structures and compliance mechanisms, the benefits of Artificial Intelligence must be analyzed with a similar lens.

Artificial Intelligence holds in its garb not just the success of the Indian startups and budding corporates but also the key to achieving our goals of ESG, Sustainability, and so on. Company Secretaries as Governance Professionals with their roles cut out in varied areas are finding themselves at a juncture where the way forward is next to impossible without holding the baton of AI. In view of the same and more, we are pleased to inform you that the **October 2025** issue of Chartered Secretary Journal will be devoted to the theme **Artificial Intelligence: Reshaping Governance Fundamentally** covering *inter alia* the following aspects:

- ❖ Artificial Intelligence: Past, Present and Future
- ❖ Artificial Intelligence: Understanding the basics
- ❖ Artificial Intelligence: People, Planet, Profit
- ❖ Artificial Intelligence: Opening doors to Boardrooms
- ❖ Artificial Intelligence: Shifting compliance procedures
- ❖ Artificial Intelligence: Role of PCS
- ❖ Artificial Intelligence: Significance for Governance Professionals
- ❖ Artificial Intelligence: Inclusivity, Cohesiveness, Transformation
- ❖ Artificial Intelligence: Leading sustainable change

And many more...

Members and other readers desirous of contributing articles may send the same latest by **Monday, September 22, 2025** at [cs.journal@icsi.edu](mailto:cs.journal@icsi.edu) for October 2025 issue of Chartered Secretary Journal.

The length of the article should ordinarily be between 2,500 - 4,000 words. However, a longer article can also be considered if the topic of discussion so demands. The articles should be forwarded in MS-Word format.

All the articles are subject to plagiarism check and will be blind screened. Direct reproduction or copying from other sources is to be strictly avoided. Proper references are to be given in the article either as a footnote or at the end. The rights for selection/rejection of the article will vest with the institute without assigning any reason.

Regards,

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# Articles in Chartered Secretary Guidelines for Authors

1. Articles on subjects of interest to the profession of company secretaries are published in the Journal.
2. Each author should submit only one article for respective issue.
3. The article must be original contribution of the author with minimum 85% original content written by the author/s.
4. The article must be an exclusive contribution for the Journal.
5. The article must not have been published elsewhere, and must not have been or must not be sent elsewhere for publication, in the same or substantially the same form.
6. The article should ordinarily have 2500 to 4000 words. A longer article may be considered if the subject so warrants.
7. The article must carry the name(s) of the author (s), designation, professional affiliation, location, e-mail id & PP size photograph on the title page only and nowhere else.
8. The articles go through blind review and are assessed on the parameters such as (a) relevance and usefulness of the article (from the point of view of company secretaries), (b) organization of the article (structuring, sequencing, construction, flow, etc.), (c) depth of the discussion, (d) persuasive strength of the article (idea/ argument/articulation), (e) does the article say something new and is it thought provoking, and (f) adequacy of reference, source acknowledgement and bibliography, etc.
9. The copyright of the articles, if published in the Journal, shall vest with the Institute.
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11. The article shall be accompanied by a summary in 150 words and mailed to [cs.journal@icsi.edu](mailto:cs.journal@icsi.edu)
12. The article shall be accompanied by a 'Declaration-cum-Undertaking' from the author(s) as under:

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1. I, Shri/Ms./Dr./Professor..... declare that I have read and understood the Guidelines for Authors.
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Signature



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**From Leave to Leverage: Gender Inclusion, Hybrid Work and Reimagining the Maternity Benefit Act, 1961 for Viksit Bharat****CS (Dr.) Divyesh Patel & Dr. Dixita Patel**

Maternity benefits safeguard the health of mothers and infants while representing a forward-thinking approach to enhancing gender-neutral caregiving policies within organizations. Supporting women's equal involvement in the workforce after maternity is not merely a goal for welfare; it is an essential economic requirement for Viksit Bharat@2047 and contributes to employee retention. The article examines the key provisions under the Maternity Benefit Act, 1961, as amended in 2017.

47

**Licensing, Registration and Regulation: Labour and Environmental Laws****CS Shivam Sharma**

There is interconnectedness between Licensing registration and compliance of labour laws and environmental laws. The Constitution of India lays down directive principles safeguarding the welfare, safety and security of labour working in organisations. Over the decades, India has created a complex body of labour laws and environmental laws, each embedding licensing and registration requirements as gateways to compliance. This article explores the evolution and reforms in labour and environmental laws, their justifications, challenges, along with case studies, and potential future directions.

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**Licensing, Registration and Regulation under Labour Laws: A Compliance Blueprint for Viksit Bharat****CS Amit Singh**

The newly introduced Labour Codes through labour reforms are expected to enhance job creation and boost worker productivity, which will contribute to ease of doing business in the country. The adherence to labour laws aimed at safeguarding both regular and contractual workers, along with the prohibition of child and adolescent labour, facilitates the establishment of effective compliance mechanisms that support the vision of Viksit Bharat@2047. The author introduces a distinctive K-Knowledge, G-Governance, and F-Formulation framework to illustrate the strategic role of Company Secretaries in ensuring compliance with labour laws.

60

**Beneficial Legislation: Factories Act, 1948****CS Vijay Kumar Mishra**

The article discusses the registration process, rules, regulations and licensing requirements of factories as outlined in the Factories Act, 1948, including provisions concerning welfare and working conditions, along with interpretations of related case laws. The author emphasizes that India is consistently making efforts to expand growth in manufacturing sector, which necessitates establishing more factories to attain the status of a global manufacturing hub.

63

**The Governance Horizon: Gig Labour Meets Green Capital!****CS Aditi Maheshwari**

The article highlights the rising trends in Gig labour and the worldwide policy landscape, emphasizing Green Finance and the Green Industrial revolution while offering recommendations for Governance directed at Company Secretaries, Boards, and Policymakers. In summary, three potential paths for the intersection of gig labour and green capital are Harmonisation, Fragmentation, and Platform Sovereignty. The future of governance in Gig labour will be influenced by the decisions that Regulators, Boards, and Company Secretaries make over the next five years.

68

**Forest (Conservation) Act, 1980 and Wildlife (Protection) Act, 1972: A Governance Perspective****CS Suparn Sekhri**

Forests and wildlife resources assure clean air, water, biodiversity, and climate resilience. Among the earliest and most significant environmental legislations in India are the Forest (Conservation) Act, 1980, and the Wildlife (Protection) Act, 1972. These two enactments have provided a legal backbone to India's environmental governance and remain central even today. At the same time, with the implementation of Environmental, Social

and Governance (ESG) frameworks, companies are no longer evaluated only on financial performance but also on their environmental footprints, their contribution to social well-being and the integrity of their governance structures. This article encapsulates the legislative framework and expanding role of Company Secretaries in environmental governance.

73

### **Labour Laws and the Role of Company Secretary**

**CS N R Ravikrishnan**

In India, labour laws are fundamentally grounded in the ideals of social justice, social security, social equity, and the national economy, aimed at safeguarding employee rights and outlining the obligations and responsibilities of employers. The evolution of labour laws and its reforms have consistently played a significant role in the socio-economic development of the nation. A robust legal framework governing labour laws and relations enhances productivity, thereby naturally attracting investments for businesses. In this article, the author explores various regulatory mechanisms related to labour laws, as well as the responsibilities of Company Secretaries in ensuring compliance, providing guidance, and performing adequate reporting.

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### **E-Compliance in Wage Laws: Licensing, Registration and Regulation**

**CS Rishika Saloni**

This article examines the shift in wage-related labour laws in India from a manual process to the establishment of e-compliance systems. The Shram Suvidha Portal, initiated in 2014, introduced a unified Labour Identification Number (LIN) that enabled employers to submit a single, consolidated online return rather than multiple paper-based filings. This transition from manual compliance to digital administration signifies the conclusion of Inspector Raj and the onset of a more transparent, predictable, and business-friendly environment.

85

### **The Alchemy of Waste: How India's New E-Waste Rules are forging a Digital Circular Economy for Viksit Bharat@2047**

**CS Rajiv Malik**

In this article, the author highlights the importance of planning for waste management in ancient urban civilisations. This age-old philosophy has been largely forgotten in the modern digital era. In response to the environmental crisis, the Government of India has introduced the E-Waste (Management) Rules, 2022, a significant legislative framework that replaces the earlier 2016 version. The article discusses the e-waste management process, the roles of key stakeholders, and the potential opportunities for Company Secretaries under this new legislation.

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### **Coastal Regulation Zone (CRZ) Compliance Framework: A Strategic Imperative for Corporate India - Navigating Environmental Clearances in the New Regulatory Landscape**

**CS (Dr.) Kunal Mandwale**

With the intent to bring a paradigm shift in the philosophy of environmental governance, the Government of India introduced the Coastal Regulation Zone (CRZ) Notification, 2019, which superseded the 2011 framework. This shift illustrates India's intention to harmonize developmental needs with ecological conservation while adhering to global standards in coastal zone management. For corporate leaders in India, this shift in regulation necessitates improved compliance systems, strong governance structures, and the strategic incorporation of environmental factors into primary business planning activities. The article discusses crucial regulatory changes and their future implications.

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### **Labour Laws in Practice: Licensing, Registration and Regulation: A Company Secretary Perspective**

**CS Jyoti Goyal**

The author in this article postulates three layers in the labour laws compliance landscape in India. First is 'Entry' termed as licensing and registration under the Factories Act, 1948, registration/licensing for principal employers and contractors under the Contract Labour (Regulation and Abolition) Act, 1970, Shops and Establishments registration for offices, professional tax wherever applicable, and state-specific registrations (e.g., labour welfare funds). Second 'Operations' termed as ongoing compliance in Minimum wages, timely wages, overtime and leave; EPF and ESIC contributions; maintenance of registers; issuance of payslips; safety and welfare facilities; POSH committees; periodic returns and digital filings. Third, 'Events' are termed as special compliance, such as introduced or amended shifts, layoffs, retrenchments, closures, change in ownership, accidents, inspections, and responses to show cause notices. A robust internal compliance calendar monitored by Company Secretaries will help avoid slippages for the company across these layers.

## Research Corner

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## Labour Welfare and Working Conditions in India: A Legal and Regulatory Analysis

CS Gopi Chitaliya

The study is a review of the legal and regulatory frameworks under the Factories Act, 1948, the Contract Labour (Regulation and Abolition) Act, 1970, and the Child Labour (Prohibition and Regulation) Act, 1986; it includes an explanation of the necessary forms and documentation for obtaining licenses. A comparison is drawn between the licensing and registration obligations of a principal employer and those of a contractor. The article provides insights into employment patterns from 2020 to 2024, detailing the frequency of violations and the associated penalties under various labour Acts in 2023, as well as projected sector-wise employment figures for contract labour in 2024. Furthermore, the discussion incorporates relevant case laws and case studies throughout.

## Legal World

P-113

- **LMJ 09:09:2025** The business organisation of the Company cannot be said to have been destroyed, merely because the brokers who were acting as mediators in carrying out the business between the members had been discharged and their accounts settled.[SC]
- **LW 65:09:2025** On the other hand, as already noted hereinbefore, it was the CoC and the Resolution Professional who were and still are desirous of returning the possession of the property in question to the appellants, keeping in mind the adverse financial implications of retaining the same.[SC]
- **LW 66:09:2025** Since the application has been filed on 15.01.2024 the same is within time. Limitation, in view of the acknowledgment as found above, having commenced only on 12.08.2020, the question of limitation expiring between 15.03.2022 and 28.02.2022 cannot arise.[SC]
- **LW 67:09:2025** On the basis of the material available on record, there appears to be substance in the allegations levelled by the Informant and the same merits an investigation by the Director General ("DG").[CCI]
- **LW 68:09:2025** The Corporation's omission to consider redeployment violates both statutory and constitutional obligations.[SC]
- **LW 69:09:2025** Looking for another job, even if with a rival company with better perks and facilities is a basic right and does not constitute moral turpitude as it is not contrary to honesty, modesty or good morals.[CAL]
- **LW 70:09:2025** Since at the time of regularization, certificate of fitness is otherwise required to be produced by the petitioner, petitioner submitted Medical Fitness Certificate duly issued by competent authority, but submission of Medical Fitness Certificate, in peculiar facts and circumstances as detailed herein above, could not have given any right to the respondents to curtail the Maternity Leave of the petitioner granted to her.[HP]
- **LW 71:09:2025** The reduction of demand by nearly 75% without any basis not only lacks legal justification but, also sets a dangerous precedent whereby employers may feel emboldened to suppress records and escape liability through evasive tactics.[KANT]
- **LW 72:09:2025** Once on the date of transaction the seller was having a valid registration and the transaction was through a valid billing channel, which has neither been denied nor any adverse material has been brought on record, no adverse inference can be drawn against the petitioner.[ALL]

## From The Government P-123

- Corrigendum to the Details of Pre-bid meeting date, submission of bids, etc. for REQUEST FOR PROPOSAL (RFP) floated on Gem Portal vide Bid Number: GEM/2025/B/6586758 dated 19.08.2025
- The Companies (Incorporation) Second Amendment Rules, 2025
- Corrigendum to the Request for Proposal (RFP) for Third Party Evaluation (TPE) of Corporate Data Management (CDM) Scheme
- Request for Proposal (RFP) for Third Party Evaluation of Corporate Data Management Scheme- a Central Sector Scheme
- The Companies (Indian Accounting Standards) Second Amendment Rules, 2025
- Technical Clarifications to Cybersecurity and Cyber Resilience Framework (CSCRF) for SEBI Regulated Entities (REs)
- Relaxation in timeline to submit net worth certificate by Stock Brokers to offer margin trading facility to their clients
- Extension of timeline for implementation of SEBI Circular 'Margin obligations to be given by way of pledge/Re-pledge in the Depository System' dated June 03, 2025
- Use of liquid mutual funds and overnight mutual funds for compliance with deposit requirement by Investment Advisers and Research Analysts
- Transaction charges paid to Mutual Fund Distributors
- Review of Framework for conversion of Private Listed InvIT into Public InvIT
- Ease of doing business (EODB) - Policy for joint annual inspection by MIIs – information sharing mechanism– action by Lead MII
- Review, Appeal or Waiver of penalty requests emanating out of actions taken by the Member Committee
- Implementation of Section 51A of UAPA, 1967: Updates to UNSC's 1267/1989 ISIL (Da'esh) & Al-Qaida Sanctions List: Amendments to 05 Entries
- Reserve Bank of India (Know Your Customer (KYC)) (2<sup>nd</sup> Amendment) Directions, 2025
- Compliance with Hon'ble Supreme Court Order dated April 30, 2025 in the matter of Pragya Prasun and Ors. vs Union of India (W.P.(C) 289 of 2024) and Amar Jain vs Union of India & Ors. (W.P.(C) 49 of 2025)
- Introduction of Continuous Clearing and Settlement on Realisation in Cheque Truncation System
- Investment in Government Securities by Persons Resident Outside India through Special Rupee Vostro account
- Reserve Bank of India (Non-Fund Based Credit Facilities) Directions, 2025
- Reserve Bank of India (Co-Lending Arrangements) Directions, 2025
- International Trade Settlement in Indian Rupees (INR)



# 2

## ARTICLES



- From Leave to Leverage: Gender Inclusion, Hybrid Work and Reimagining the Maternity Benefit Act, 1961 for Viksit Bharat
- Licensing, Registration and Regulation: Labour and Environmental Laws
- Licensing, Registration and Regulation under Labour Laws: A Compliance Blueprint for Viksit Bharat
- Beneficial Legislation: Factories Act, 1948
- The Governance Horizon: Gig Labour Meets Green Capital!
- Forest (Conservation) Act, 1980 and Wildlife (Protection) Act, 1972: A Governance Perspective
- Labour Laws and the Role of Company Secretary
- E-Compliance in Wage Laws: Licensing, Registration and Regulation
- The Alchemy of Waste: How India's New E-Waste Rules are forging a Digital Circular Economy for Viksit Bharat@2047
- Coastal Regulation Zone (CRZ) Compliance Framework: A Strategic Imperative for Corporate India - Navigating Environmental Clearances in the New Regulatory Landscape
- Labour Laws in Practice: Licensing, Registration and Regulation: A Company Secretary Perspective

# From Leave to Leverage: Gender Inclusion, Hybrid Work and Reimagining the Maternity Benefit Act, 1961 for Viksit Bharat

The rationale to introduce maternity benefits for women was to safeguard maternal and infant health, ensuring adequate rest and recovery during and after childbirth and promote workforce retention by enabling women to balance professional and family responsibilities. The article evaluates the law and examines global best practices. The author attempts to propose a roadmap to align maternity protection with India's growth aspirations.



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## INTRODUCTION

**T**he participation of women in India's workforce remains one of the most critical determinants of inclusive growth. India's **Female Labour Force Participation Rate (FLFPR)** is around 31%. For **Viksit Bharat @2047**, India's long-term growth vision of enabling women to remain in and return to the workforce post-maternity is not merely a welfare goal but an economic imperative where inclusive and equitable participation of women in the workforce is a cornerstone of national development, strengthening maternity protection and integrating gender-neutral caregiving policies. These are not just matters of welfare—they are strategic imperatives for unlocking India's full demographic and economic potential.

The rationale behind Maternity Benefits rests on two interlinked objectives. First, they safeguard **maternal and infant health**, ensuring adequate rest and recovery during and after childbirth. Second, they promote **workforce retention** by enabling women to balance professional and family responsibilities, thereby reducing attrition and enhancing organisational stability.

The **Maternity Benefit Act, 1961**, as amended in 2017, marked a progressive step forward—extending paid maternity leave from 12 weeks to **26 weeks** for women with up to **two surviving children**, while retaining the **12-week entitlement** for those with two or more children. Recognising evolving family structures, the Act extended benefits to **adoptive mothers** of infants below three months and **commissioning mothers** (biological mothers using surrogacy), who are each entitled to **12 weeks of leave** from the date of child handover. In response to changing work models, the law provides a **“work from home” option** post maternity leave, contingent upon the nature of work and mutual agreement between employer and employee. Further, establishments with **50 or more employees** are mandated to establish a **crèche facility** within a prescribed distance, and women employees are permitted **four daily visits**, inclusive of rest intervals. To ensure transparency and awareness, the amendment places a **statutory responsibility on employers** to inform every woman employee, in writing and electronically at the time of appointment, about the maternity benefits available under the Act.

However, the amendment, designed as an **employer-funded model** has led to unintended consequences. Many organisations view the cost implications as a hiring risk, often resulting in reduced opportunities for women of childbearing age. Additionally, the absence of **paternity leave provisions** perpetuates traditional gender roles, placing the caregiving responsibility disproportionately on women. This not only undermines gender equality but also limits the broader societal shift towards shared caregiving that is essential for inclusive growth. In nut shell, Yet, as hybrid work, remote offices, and **Gig platform** (i.e. **Digital marketplace or app-based system that connects individuals who want to work (“gig workers”) with those who need short-term, on-demand services**) employment gain traction, the adequacy of the Act is increasingly in question. Moreover, in essence, the 2017 Amendment modernised the **Maternity Benefit Act, 1961** by significantly extending

leave, recognising adoption and surrogacy, encouraging flexible work, and mandating childcare infrastructure — but it still places the financial burden largely on employers.

Hence, this article evaluates the law and examines global best practices. The author attempts to propose a roadmap to align maternity protections with India's growth aspirations and address the following questions:

- Is the Maternity Benefit Act, 1961 (as amended in 2017) adequate in its applicability, rationale, and government support mechanisms for today's workforce?
- What do landmark judicial pronouncements reveal about the evolving interpretation of maternity rights in India?
- How does India's maternity framework compare with global best practices, and what lessons can be adapted for hybrid and gig work models?
- In the context of Viksit Bharat@2047, what reforms and governance roles - particularly of Company Secretaries are essential to make maternity protection a lever for inclusive growth?

## ADEQUACY ON TRIAL - IS THE MATERNITY BENEFIT ACT FUTURE-READY?

### • Maternity Benefit Act, 1961

The Maternity Benefit Act, 1961, as amended, applies to every factory, mine, plantation, circus, and all shops or establishments employing ten or more persons. To be eligible, a woman must have completed at least 80 days of work in the twelve months preceding her expected delivery. However, where the Employees' State Insurance Act (ESI) is applicable and women are entitled to maternity benefits under it, the Maternity Benefit Act does not apply, except for limited transitional cases. The Act provides several key entitlements, most notably 26 weeks of paid maternity leave for women with up to two surviving children, and 12 weeks of leave for women with more than two children as well as for adoptive or commissioning mothers of infants below three months. In addition, establishments employing fifty or more persons are required to provide crèche facilities, and women are entitled to four daily visits to the crèche, including rest intervals. Where free medical care is not provided, the Act mandates a medical bonus of Rs. 3,500. Furthermore, recognising evolving work models, the Act allows women to avail a work-from-home option after maternity leave, subject to mutual agreement between employer and employee. It has been briefly tabulated in Table-1.

**Table-1 Maternity Benefit Act, 1961 at a Glance**

Coverage	Eligibility	Exclusion
Applies to every Factory, Mine, Plantation, Circus, & Shops/ Establishments employing <b>≥10 persons</b>	A woman must have <b>worked at least 80 days</b> in the 12 months prior to expected delivery.	Where the <b>Employees' State Insurance Act (ESI)</b> applies and women are eligible for ESI maternity benefits, the <b>Maternity Benefit Act</b> typically does not apply (Except for transitional provisions).

*Source: Created by Author and adapted from Maternity Benefit Act, 1961*

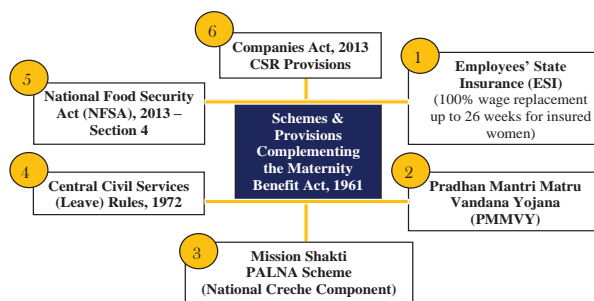
While this framework covers a significant section of India's organized workforce, it **excludes gig workers, contractual staff in smaller setups, and most of the informal economy**, leaving millions of women outside its protective ambit.

### • Government Support Mechanisms

In addition to the statutory protections offered under the **Maternity Benefit Act, 1961**, several Government schemes and Institutional measures supplement maternity benefits in India, thereby broadening the social security net for working women. The **Employees' State Insurance (ESI) Scheme** provides insured women with **100% wage replacement for up to 26 weeks**, ensuring income continuity during the maternity period. For women outside the ESI framework, the **Pradhan Mantri Matru Vandana Yojana (PMMVY)** offers a **direct cash incentive** through Direct Benefit Transfer (DBT) to support nutrition and healthcare during pregnancy and lactation. To address childcare needs, the **Mission Shakti – PALNA Scheme** establishes and funds crèche facilities for children aged **six months to six years**, thus enabling mothers to balance professional and caregiving responsibilities. For women employed in government service, the **Central Civil Services (CCS) Rules** provide **180 days of maternity leave** along with **Child Care Leave (CCL) of up to 730 days**, reflecting a more progressive approach to family care. Furthermore, under the ambit of **Corporate Social Responsibility (CSR)**, companies may allocate resources to fund childcare facilities and crèche infrastructure, thereby aligning corporate obligations with gender-sensitive workplace practices. Collectively, these measures reinforce the legislative framework and contribute to improving women's participation and retention in the workforce. It is depicted in Figure-1.

**Figure-1**

### Schemes & Provisions Complementing the Maternity Benefit Act, 1961



*Source: Created by Author*

These initiatives, if aligned and implemented cohesively, can create a robust ecosystem of maternity benefits. Yet, fragmented enforcement, scheme overlaps, and the exclusion of gig and informal workers weaken their impact. **Achieving the vision of Viksit Bharat@2047** will require both policy innovation—such as shared financing models and inclusive coverage—and stronger corporate governance,



where Company Secretaries and Boards proactively integrate maternity and childcare policies into organizational strategy. Only then can maternity protection evolve from a statutory entitlement into a cornerstone of gender-inclusive economic growth.

## LICENSING, REGISTRATION AND GOVERNANCE DIMENSIONS

Maternity protection, like other labour entitlements, also intersects with licensing and registration frameworks. Certain states require establishments to register under the Maternity Benefit Act, 1961, while the forthcoming *Code on Social Security, 2020* (yet to be fully operational) will subsume the Act and link maternity entitlements to the **Digital registration of establishments and workers** on portals such as EPFO, ESIC and e-Shram. For employers, compliance goes beyond leave management—statutory displays (Form K), register maintenance, and crèche reporting will increasingly move to **single-window e-portals**, strengthening transparency. From a governance perspective, aligning maternity protection with CSR and ESG frameworks further embeds it into a company's **licence to operate**, especially as investors and regulators place growing emphasis on diversity and social responsibility. Further, as corporate governance increasingly integrates with **ESG frameworks**, maternity and childcare policies are now part of the “S” in ESG, giving companies a stronger **social licence to operate** in domestic and global markets. Here, Company Secretaries play a bridging role—ensuring that maternity compliance registers align with labour filings while also curating disclosures that enhance a company's sustainability profile. Thus, licensing and registration are not peripheral but integral to the future of maternity governance in India. It has been depicted in Figure-2.

In addition to the statutory protections offered under the Maternity Benefit Act, 1961, several Government schemes and Institutional measures supplement maternity benefits in India, thereby broadening the social security net for working women.

Maternity Benefit Act, 1961. In **B. Shah v. Presiding Officer, Labour Court (1978)**, the Supreme Court stressed a **beneficial interpretation**, holding that a “week” includes Sundays and holidays for maternity benefit calculations, thus ensuring women receive the fullest protection. This welfare-oriented stance was furthered in **Neera Mathur v. LIC (1992)**, where the Supreme Court protected women from **intrusive and discriminatory questioning** about pregnancy, striking down termination on such grounds as violative of dignity. The principle of **universal entitlement** was cemented in **Municipal Corporation of Delhi v. Female Workers (2000)**, which extended maternity benefits even to casual and muster-roll employees, ensuring that welfare is not limited to permanent workers. In **K. Chandrika v. Indian Red Cross Society (2006)**, the judiciary advanced inclusivity by recognizing the rights of **contract workers**, emphasizing that employment status cannot deprive women of maternity protection. More recently, the landmark case of **Deepika Singh v. Central Administrative Tribunal (2022)** embraced **gender justice and family diversity**, extending benefits to atypical families, including stepmothers and adoptive parents. The jurisprudence reached a constitutional high in **K. Umadevi v. State of Tamil Nadu (2025)**, where the Supreme Court declared maternity leave a **fundamental right under Article 21**, striking down restrictive service rules and elevating maternity protection from a statutory welfare measure to a constitutional guarantee.

Together, these landmark judgments trace the evolution of maternity rights in India—from a **welfare entitlement** interpreted liberally by courts, to a recognition of **workplace equality and inclusivity** across categories of women workers, and finally, to a **constitutional guarantee under Article 21**. The judiciary has consistently reaffirmed that maternity protection is not merely a statutory benefit but an essential component of **dignity, health,**

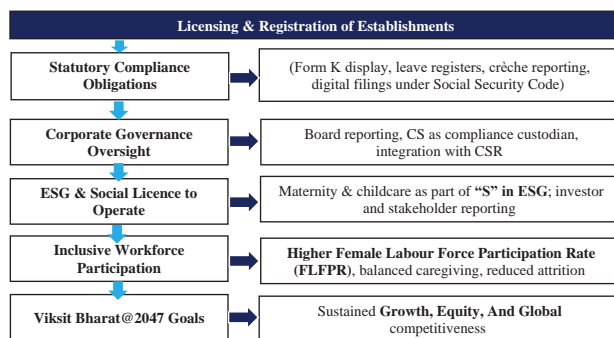
**and gender justice**. This progressive jurisprudence positions India on a stronger footing to reimagine maternity benefits in the context of hybrid workforces and Viksit Bharat@2047. This judicial journey not only highlights India's progressive stance but also reveals areas where statutory provisions lag behind lived realities. While the courts have expanded protections through a liberal lens, aligning maternity benefits with evolving workforce structures requires looking outward as well. A comparative glance at **global best practices** offers valuable insights into how other jurisdictions balance state support, employer responsibility, and inclusivity—providing a roadmap for India to refine its maternity benefit regime in line with its developmental aspirations.

## GLOBAL MIRRORS - ADAPTING MATERNITY PROTECTIONS FOR INDIA'S HYBRID AND GIG ECONOMY

A comparative glance at **global best practices** offers valuable insights into how other jurisdictions balance state support, employer responsibility, and inclusivity—providing a roadmap for India to refine its maternity benefit regime in line with its developmental aspirations. It has been tabled in Table-2.

Figure-2

### Maternity Protection: From Registration to Viksit Bharat@2047



Source: Compiled by Author

## JUDICIAL LANDMARKS: EXPANDING THE HORIZON OF MATERNITY RIGHTS IN INDIA

The judiciary in India has played a pivotal role in expanding and deepening the scope of maternity rights under the

Table-2

## Global Maternity and Parental Leave Models: A Comparative Snapshot

Country	Duration & Pay	Father's Leave / Quotas	Funding Model	Flex Rights	Childcare Support
<b>India</b>	26 weeks @ 100% pay (for ≤2 children; employer-funded)	None in private sector (no statutory paid paternity leave)	Employer liability (Maternity Benefit Act, 1961)	Work-from-home by agreement only	Crèche mandatory in establishments ≥50 employees
<b>Sweden</b>	480 days (390 at ~80% wages; 90 flat-rate)	90 days reserved for each parent	Social insurance	EU-backed right to flexible work	Universal subsidized childcare
<b>Norway</b>	49 weeks @ 100% pay OR 61 weeks @ 80%	Non-transferable quotas for fathers	National Insurance Scheme	Flexible uptake patterns allowed	Public childcare widely accessible
<b>Finland</b>	320 days split equally (160/160)	Equal quotas for both parents	Kela (national social insurance)	EU right to flexible work	Strong ECEC system + child allowances
<b>UK</b>	52 weeks (39 paid; 6 weeks @ 90%, rest flat)	Shared parental leave framework	Employer pays; reimbursed by govt (SMP)	Day-one statutory right to request flexibility	Free childcare (30 hrs/week for 3–4 yr olds)
<b>Canada</b>	15 wks maternity + 35/61 wks parental (55%/33% wage replacement)	Shared parental leave	Employment Insurance (payroll fund)	Provincial flexible-work rights	Subsidies and universal childcare expansion
<b>Australia</b>	24 wks govt-paid in 2025 (rising to 26 wks in 2026)	Reserved weeks for fathers	Federal budget (Services Australia)	Statutory right to request flexible work	Income-based childcare subsidies
<b>USA</b>	12 weeks unpaid (FMLA, federal baseline)	No federal entitlement; varies by state/employer	Unpaid federally; some states run Paid Family Leave	No federal statutory right	Patchwork; state-level or employer-provided childcare

Source: Compiled by Author

A clear insight from global practices is that most advanced economies rely on **state-funded insurance or hybrid models**, thereby reducing the employer-centric bias. Countries such as Sweden and Norway go further by introducing **reserved paternity quotas**, which normalize men's role in caregiving and reduce the motherhood penalty at work. In the UK and EU, the **right to request flexible work is a statutory entitlement** rather than a discretionary employer concession, making workforce participation more adaptable. Finally, the **universal childcare systems** prevalent across Europe act as a powerful enabler for women to re-enter and sustain their careers post-maternity. Together, these measures provide valuable direction for strengthening India's framework in line with its vision for Viksit Bharat@2047.

### BEYOND COMPLIANCE: COMPANY SECRETARIES AS ARCHITECTS OF INCLUSIVE MATERNITY GOVERNANCE

Strengthening India's maternity framework requires a dual approach—progressive policy reforms, alignment with the national vision of Viksit Bharat@2047, and proactive corporate governance. The following discussion outlines key recommendations, the broader developmental context, and the evolving role of Company Secretaries in making maternity protection a lever for inclusive growth.

#### • Policy Recommendations for India (Viksit Bharat@2047)

India's maternity framework needs to evolve from an **employer-centric model** to a more balanced system that reduces bias and expands inclusivity. A **National Maternity and Parental Benefit Fund**, co-financed by Government, Employers, and ESI, can reimburse employers and ease hiring disincentives. Introducing **Paternity Leave**, starting with 2–4 weeks of non-transferable leave, will normalize shared caregiving. A **Statutory right to request flexible or hybrid work** post-maternity must be codified to move beyond employer discretion. The current crèche mandate should transition to a **Portable Childcare Model** through vouchers or shared facilities, with PALNA strengthened as a national childcare backbone. Additionally, maternity protection should extend to **Gig and Platform Workers**, supported by aggregator co-contributions. Linking **PLI schemes and tax incentives** to female workforce retention, alongside **awareness campaigns and digitized monitoring**, will address biases and improve compliance.

Reimagining maternity protection is integral to India's long-term growth vision. Achieving Viksit Bharat@2047 demands tapping into the **full economic potential of women**, making inclusive workforce

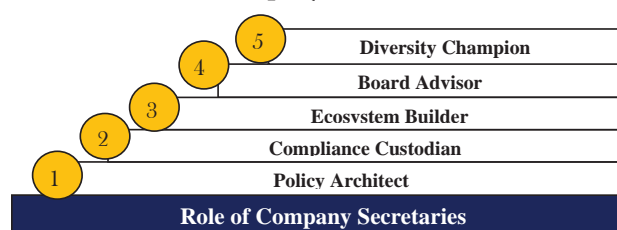
participation central to both equity and stability. Globally benchmarked maternity and parental leave frameworks are essential for India to remain competitive within the G20 and to attract investment as a progressive economy. Moreover, **digital governance innovations**—such as e-portals for compliance, online audits of crèche facilities, and digital childcare vouchers—can ensure transparency, efficiency, and accessibility. Thus, maternity reform must be viewed not as a limited welfare initiative, but as a **nation-building strategy** crucial for sustaining double-digit growth, fostering social justice, and positioning India as a global leader in inclusive development.

#### • Role of Company Secretaries (CS) in Maternity Governance

Company Secretaries can play a strategic and compliance leadership role which has been depicted in Figure-3.

Figure-3

#### Role of Company Secretaries (CS)



Source: Compiled by Author

In this transformation, **Company Secretaries (CS)** emerge as key enablers who bridge statutory compliance with strategic governance. As **policy architects**, they design and implement workplace maternity, paternity, and hybrid work policies aligned with both law and organizational needs. As **compliance custodians**, they ensure accurate maintenance of registers, filing of statutory returns, and display of mandatory notices such as Form K. Their role as **ecosystem builders** extends to partnering with government schemes like PMMVY and PALNA, while leveraging CSR resources for childcare facilities. In boardrooms, CS professionals serve as **advisors**, alerting directors to legal risks and reputational consequences of non-compliance. Beyond these functions, they can act as **diversity champions**, driving initiatives that mentor return-to-work mothers, create leadership pipelines for women, and integrate gender inclusivity into corporate culture. In doing so, CS helps shift maternity governance **from compliance to strategy**, ensuring it becomes a cornerstone of inclusive growth.

**From leave to leverage, maternity protection in India must evolve from being a statutory obligation into a strategic driver of inclusive growth.** By integrating progressive reforms, aligning with Viksit Bharat@2047, and empowering CS to lead from compliance to strategy, India can transform maternity rights into a cornerstone of gender equity, workforce resilience, and national competitiveness.

## CONCLUSION:

The *Maternity Benefit (Amendment) Act, 2017* marked a turning point in India's social security landscape by extending maternity leave and mandating childcare provisions. Yet, in the era of hybrid work, gig platforms, and non-standard employment, its **workplace-centric, employer-funded model risks obsolescence**. Global experience demonstrates that **state-supported funding, shared parental leave, flexible work rights, and universal childcare** are essential to sustain women's participation in the workforce. For India, maternity reform is inseparable from the vision of Viksit Bharat@2047—it is not just about protecting mothers but about building a **modern, inclusive economy** where both men and women can contribute fully. The law must evolve from being a narrow **company obligation** into a **national social mission**, supported by progressive policy, corporate governance, and cultural adoption. In this journey, **CSs** are uniquely positioned to translate compliance into strategy—ensuring governance, advocacy, and workplace diversity become cornerstones of maternity protection. Only then can India unlock the full potential of its women and secure a developed, equitable future.

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# Licensing, Registration and Regulation: Labour and Environmental Laws

India's economic growth is balanced by a framework of labour and environmental laws designed to prevent worker exploitation and ecological harm. This framework uses three key instruments: licensing, which grants permission for specific activities; registration, which formally records establishments and workers for oversight; and regulation, which sets ongoing standards and monitors compliance. In the labour sector, laws like the Factories Act, 1948 and Contract Labour Act, 1970 mandate licensing and registration to ensure worker safety, fair wages, and access to social security benefits. Recent reforms, including the consolidation of labor laws into four codes, aim to streamline these processes and formalize the workforce. For the environment, landmark judicial rulings and major events like the Bhopal Gas Tragedy led to a robust legal regime under the Environment (Protection) Act, 1986. Industries must obtain specific "Consents" to operate from pollution control boards and secure environmental clearances for new projects. The move toward digital platforms, single-window portals, and risk-based inspections signals a shift towards more transparent and effective governance, tying compliance to sustainable and equitable growth.



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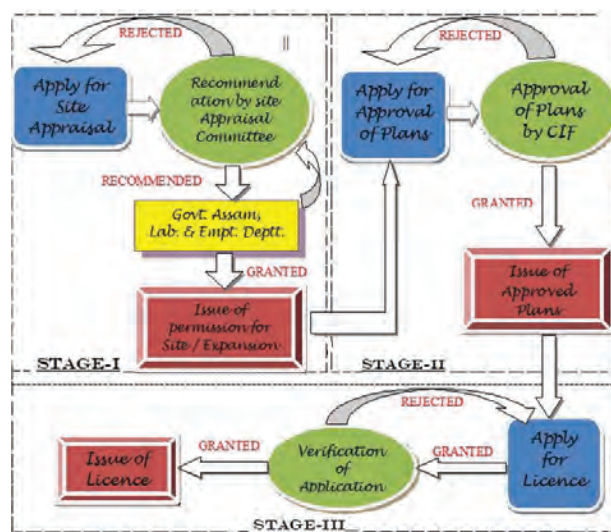
## INTRODUCTION

India's growth story is marked by a persistent interplay between industrial expansion and the protection of people and nature. While on one side lies the promise of jobs, foreign investment, and infrastructure, on the other side, is the risk of worker exploitation and irreversible environmental harm. To mediate this situation, the State deploys a triad of instruments: licensing, registration, and regulation.

These three terms often appear synonymous in everyday usage but carry distinct legal meanings. *Licensing* is the granting of permission by an authority to carry out a specific activity under prescribed conditions. *Registration* is the formal act of recording an employer, establishment, or process in government records to ensure oversight and accountability. *Regulation* is the ongoing setting of standards, monitoring of compliance, and enforcement of penalties or corrective actions.

The Indian Constitution supplies the philosophical foundation. The Directive Principles of State Policy (Part IV) encourage humane working conditions (Article 42), protection of children (Article 39), and safeguarding of the environment (Article 48A). The Fundamental Rights, especially Article 21, have been interpreted by the judiciary to guarantee not only the right to life but also the right to live with dignity and in a clean environment.

Over the decades, India has created a complex body of labour laws and environmental laws, each embedding licensing and registration requirements as gateways to compliance. This article explores these frameworks in detail, examining their evolution, rationale, challenges, case studies, and future directions.



## LICENSING, REGISTRATION AND REGULATION IN LABOUR LAWS

### a) Historical Evolution

Labour laws in India has its origins in colonial legislation. Early enactments like the Factories Act of 1881 focused narrowly on preventing unrest and ensuring industrial productivity. Post-independence, however, India embraced the welfare state ideal, reflected in a wave of progressive labour statutes designed to protect the working class.

Influence from the International Labour Organization (ILO) has been significant. India's ratification of ILO conventions on minimum wages, occupational safety, and child labour steadily pushed domestic law toward a regime of stronger worker protection.

By the late 20<sup>th</sup> century, the legal landscape featured a mosaic of labour laws covering over 40 central statutes and numerous state laws: each requiring separate licensing or registration. Though often criticized as "inspector raj," these mechanisms ensured formal recognition of workers and accountability of employers.

### b) Key Labour Laws Involving Licensing/Registration

#### • Factories Act, 1948

- ♦ Factories employing 10 or more workers with power, or 20 without power, must register with the Chief Inspector of Factories.
- ♦ Licensing ensures compliance with health, ventilation, lighting, sanitation, and worker safety standards.

#### • Contract Labour (Regulation & Abolition) Act, 1970

- ♦ Contractors must obtain licenses before supplying contract labour.
- ♦ Principal employers engaging 20 or more contract labourers must register.
- ♦ Prevents misuse of contract labour, ensuring parity in wages and conditions with regular workers.

#### • Shops and Establishments Acts (State-specific)

- ♦ Compulsory registration for all commercial establishments (shops, restaurants, offices).
- ♦ Allows monitoring of working hours, paid leave, and minimum wages.

#### • Employees' Provident Fund and Miscellaneous Provisions Act, 1952

- ♦ Employers with 20 or more workers must register with the EPFO.
- ♦ Registration secures employees' access to provident fund, pension, and life insurance.

#### • Employees' State Insurance Act, 1948

- ♦ Establishments with 10 or more employees in notified industries must register with ESIC.
- ♦ Provides medical care, sickness, and maternity benefits.

#### • Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996 (BOCW)

- ♦ Registration is mandatory for establishments employing 10 or more construction workers.
- ♦ Workers also register individually to receive benefits funded by a 1–2% cess collected from employers.

#### • Inter-State Migrant Workmen Act, 1979

- ♦ Contractors must secure licenses for hiring inter-state migrant workers.
- ♦ Employers must register to guarantee provisions like displacement allowance, medical facilities, and housing.

### c) Objectives of Licensing & Registration under Labour Laws

- ♦ Formalisation of work: Bringing workers into the legal fold.
- ♦ Accountability: Ensuring contractors and subcontractors are traceable.
- ♦ Inspection facilitation: Enabling authorities to monitor compliance.
- ♦ Access to benefits: Linking workers to provident fund, ESI, and welfare boards.
- ♦ Conflict resolution: Establishing clarity for labour courts and tribunals.

### d) Compliance Mechanisms and Regulatory Bodies

Traditionally, enforcement relied on labour inspectors and commissioners. Recent reforms include:

- ♦ Shram Suvidha Portal: A unified digital portal integrating multiple registrations and returns.
- ♦ Self-certification schemes: Allowing compliant employers, especially startups, to reduce inspection frequency.
- ♦ Risk-based inspections: Targeting high-risk industries like mining or chemicals, reducing harassment of low-risk firms.

### e) Case Study: Labour Compliance in the Electric Mobility Sector

In 2024–25, India's drive towards electric mobility led to the establishment of a massive electric

vehicle manufacturing plant in Tamil Nadu. The facility employed thousands of workers, including a significant number engaged through contractors.

Soon, media reports began surfacing about worker unrest: long working hours, inadequate safety protocols, and substandard conditions in worker hostels. These revelations prompted regulatory authorities to examine compliance under the Factories Act, 1948 and the Contract Labour (Regulation and Abolition) Act, 1970 (CLRA).

Although the enterprise had obtained the requisite factory licenses, doubts arose regarding whether licensing and registration obligations had been properly followed for contract labour. This highlighted a recurring issue: even cutting-edge industries in sunrise sectors cannot bypass traditional labour licensing frameworks.

The episode also resonated beyond regulatory circles. Investors and analysts began questioning the company's standing under ESG (Environmental, Social, Governance) benchmarks, particularly the "social" dimension of labour welfare. The situation underscored how lapses in labour compliance can quickly escalate into governance and reputational risks, even in industries aligned with sustainability goals.

## CODIFICATION OF LABOUR LAWS

Between 2019 and 2020, India consolidated 29 central labour laws into four Labour Codes:

1. Code on Wages, 2019
2. Industrial Relations Code, 2020
3. Social Security Code, 2020
4. Occupational Safety, Health and Working Conditions Code, 2020

The POSH Code is particularly transformative. It merges 13 laws—including the Factories Act, CLRA, and BOCW Act—and introduces:

- ♦ A single registration for establishments.
- ♦ Common licensing for contract and migrant workers.
- ♦ Electronic returns and digitised records.

If implemented effectively, the Codes may reduce duplicative paperwork while retaining the protective spirit of licensing and registration.

## LICENSING, REGISTRATION AND REGULATION IN ENVIRONMENTAL LAWS

### • Rationale

Environmental regulation in India rests on the judiciary's repeated affirmation that the right to life under Article 21 includes the right to a healthy environment. The Supreme Court's decisions in *MC Mehta v. Union of India* (1987, Oleum Gas Leak case) and *Vellore Citizens' Forum v. Union of India* (1996) established doctrines like "polluter pays" and "precautionary principle."

The turning point was the Bhopal Gas Tragedy of 1984, which revealed glaring gaps in environmental safety and enforcement. In its wake, Parliament enacted the Environment (Protection) Act, 1986 (EPA), giving sweeping powers to the central government to regulate industrial activities through licenses, registrations, and clearances.

### • Key Environmental Legislations

- ♦ Environment (Protection) Act, 1986: Umbrella law enabling regulation of hazardous processes and pollution standards.
- ♦ Water (Prevention and Control of Pollution) Act, 1974: Requires industries to obtain Consent to Establish (CTE) and Consent to Operate (CTO) from State Pollution Control Boards (SPCBs).
- ♦ The Air (Prevention and Control of Pollution) Act, 1981: Similar consent mechanism for emissions.
- ♦ Hazardous Waste Management Rules, 2016: Authorization for handling, storage, and disposal of hazardous waste.
- ♦ Bio-Medical Waste Management Rules, 2016: Registration of hospitals, clinics, and disposal agencies.
- ♦ E-Waste (Management) Rules, 2016: Registration of producers and recyclers under Extended Producer Responsibility.
- ♦ Forest (Conservation) Act, 1980: Central government approval needed for diverting forest land.
- ♦ Wild Life (Protection) Act, 1972: Licensing for zoos, sanctuaries, and trade in wildlife articles.
- ♦ Coastal Regulation Zone (CRZ) Notifications: Permissions for coastal projects.
- ♦ EIA Notification, 2006: Environmental clearances required for large projects, following public hearings and expert appraisal.

India's ratification of ILO conventions on minimum wages, occupational safety, and child labour steadily pushed domestic law toward a regime of stronger worker protection.





### • Mechanism of Licensing & Regulation

- ♦ Consent Mechanisms (CTE/CTO): Demonstrate compliance with pollution norms before starting and during operation.
- ♦ Clearances: Environmental clearance under EIA involves detailed studies, mitigation plans, and community consultation.
- ♦ Periodic renewals: Consents and clearances are time-bound.
- ♦ Continuous monitoring: Many large industries are required to install CEMS (Continuous Emission Monitoring Systems).
- ♦ Online platforms: SPCBs now process many applications digitally, improving transparency.

### • Case Study: Steel Project and the Licensing

While the project of this steel plant, initially secured state-level agreements and preliminary approvals, it faced prolonged hurdles in obtaining forest clearances and environmental permissions.

Local communities, backed by the Forest Rights Act, 2006, resisted displacement and insisted that their consent was mandatory before any diversion of forest land is made. After years of protest in 2017, the project was abandoned altogether.

This episode illustrates that licensing is not merely a procedural formality it involves balancing industrial development with environmental justice and community rights.

### • Judicial Oversight & Public Participation

The National Green Tribunal (NGT), created in 2010, has emerged as the watchdog of environmental licensing. It has quashed clearances where due process was ignored and imposed heavy penalties on polluters.

Public hearings in the EIA process give affected communities a direct voice. PILs filed by NGOs and activists continue to shape India's environmental licensing regime, ensuring that economic development is not pursued at the cost of irreversible ecological damage.

## INTERSECTIONS OF LABOUR AND ENVIRONMENTAL REGULATIONS

Labour and Environmental regulations often converge in practice:

- **Construction sector:** Projects require BOCW registration for workers and pollution control board clearances for dust, noise, and waste.
- **Mining:** Safety licensing under labour laws overlaps with environmental clearances under the Forest and Wild Life Acts.
- **Manufacturing:** Factories need both factory licenses and CTE/CTO consents.

### Case Study: Construction Workers and Seasonal Pollution Bans

Between 2021 and 2023, recurring winter smog in the Delhi–NCR region led authorities to halt construction

activities as part of emergency air quality measures. While these restrictions were aimed at protecting public health, they left thousands of daily-wage construction workers suddenly unemployed.

Courts repeatedly reminded state governments of their obligations under the Building and Other Construction Workers (Regulation of Employment and Conditions of Service) Act, 1996. Only workers properly registered under this law could access welfare schemes and financial support during the suspension of work.

The situation revealed a critical link between environmental regulation and labour registration: when industrial or construction activity is restricted for ecological reasons, registration under labour welfare laws becomes a lifeline, not merely a compliance formality.

## REFORMS & FUTURE DIRECTIONS

Policy direction in the last decade signals a shift from paper-heavy control towards digitised, risk-based oversight:

- **Single-window portals**

Platforms like Shram Suvidha Portal and PARIVESH aim to integrate multiple licenses (labour & environmental) into a unified dashboard, reducing redundancy.

- **Decriminalisation of minor lapses**

The Occupational Safety, Health and Working Conditions Code, 2020 proposes lighter penalties for minor infractions—encouraging businesses to self-report without fear of criminal prosecution.

- **Digital inspections**

Labour and environment regulators now use geo-tagged photos, QR-based approvals, and real-time reporting to curb inspector discretion and enhance transparency.

- **Stricter oversight for high-risk sectors**

Industries such as mining, chemicals, and e-waste are being pushed into tighter scrutiny with continuous emissions monitoring and third-party audits.

- **ESG integration**

Licensing compliance is increasingly tied to Environmental, Social, and Governance (ESG) benchmarks. Investors, especially global funds, view compliance not just as law-abiding, but as a marker of sustainability.

- **International alignment**

Reforms aim to align with global standards—ILO labour conventions, Paris Climate Agreement targets, and emerging EU carbon border taxes—ensuring Indian firms remain competitive in international markets.

## CONCLUSION

Licensing, registration, and regulation are essential tools of accountability. For labour, they guarantee dignity, safety, and social security. For the environment, they safeguard air, water, and forests against reckless exploitation.

The case studies as mentioned above shows how compliance—or its absence—shapes not only company fortunes but also the lives of workers and communities.

The task now is to move from “paper compliance” to “substantive compliance”: where licenses are not just obtained but honoured, registrations are not just records but lifelines, and regulations are not just obstacles but pathways to sustainable growth.

In the decades ahead, India’s challenge will be to ensure that its licensing and regulatory frameworks serve as enablers of inclusive, green, and equitable development.

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# Licensing, Registration and Regulation under Labour Laws: A Compliance Blueprint for Viksit Bharat

This article throws light on the labour laws in India, their historical evolution and reforms undertaken over the years by the Government of India. Further the article explicates the compliance framework, key provisions and operational requirements of the laws governing welfare & working conditions of employees, Contract labour and Child and Adolescent Labour. The author depicts the Strategic role of Company Secretary in labour governance through a unique KGF model.



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## INTRODUCTION

**B**harat Bhagya Vidhata, a phrase that evokes India's sovereign spirit, reflects the nation's resolve to shape its own destiny. As India marches towards the goal of becoming a Viksit Bharat@2047, the transformation of its economy and society rests fundamentally on the empowerment of labour and human capital. With a youthful population and a growing workforce, India stands at a pivotal moment where strategic reforms and inclusive policies can unlock unprecedented growth and equity.

The Bhagavad Gita's Karma Yoga teaches duty without attachment to results, while the principle of "Swadharma" promotes self-reliance and indigenous development. These values inspire a nation where every citizen contributes meaningfully to its progress. The strategic roadmap for Viksit Bharat envisions skilling 100 crore youth, building a green and digital economy, and ensuring inclusive growth that leaves no one behind. In this vision, labour and human capital are not merely contributors—they are the creators of India's destiny. Through comprehensive reforms, inclusive policies, and a values-driven approach, India is truly becoming Bharat Bhagya Vidhata—a nation empowered by its people and guided by its aspirations. Philosophically, this transformation is rooted in India's civilizational ethos.

Recognizing this, the Government of India has undertaken consolidation of labour laws into four comprehensive Labour Codes—the Code on Wages (2019), the Industrial Relations Code (2020), the Code on Social Security (2020), and the Occupational Safety, Health and

Working Conditions Code (2020). These codes simplify compliance, enhance worker protection, and promote formal employment.

These reforms are complemented by initiatives such as Skill India, PMKVY, and the National Education Policy 2020, which aim to equip India's youth with future-ready skills. Employment-linked incentives, digital skilling platforms, and support for women and marginalized groups are creating pathways to formal employment and entrepreneurship. Health programs like Ayushman Bharat, along with nutrition and mental wellness schemes, ensure holistic development at the workforce.

## LABOUR LAWS IN INDIA

- **Historical Evolution:** Labour law in India has evolved as a cornerstone of the country's socio-economic and industrial framework. It is not merely a set of legal provisions but a reflection of the nation's commitment to worker welfare, industrial harmony, and inclusive growth. From colonial origins to modern digital compliance platforms, the journey of labour legislation in India is both rich and transformative.
- **Definition and Scope of Labour Law:** The term 'labour' means productive work especially physical work done for wages. Labour law also known as employment law, governs the rights and responsibilities of workers and employers. It is divided into collective labour law, which regulates the relationship between employees, employers, and trade unions, and individual labour law, which focuses on workers' rights such as wages, working hours, and workplace safety.
- **Purpose and Objectives:** Influenced by social and economic factors, labour legislation aims to ensure fair treatment, social security, and safe working conditions. To improve clarity and enforcement, many jurisdictions have recently streamlined and unified multiple labour laws into broader, simplified legal codes.
- **Recent Reforms and Simplification:** Over the decades, India's labour laws expanded to cover various aspects of employment, including wages, social security, contract labour, and child protection. In 2020, the Government of India consolidated 29 central labour laws into four comprehensive Labour Codes to simplify compliance and enhance transparency:



- Code on Wages, 2019
- Industrial Relations Code, 2020
- Code on Social Security, 2020
- Occupational Safety, Health and Working Conditions Code, 2020
- **Key Features of the Labour Codes:** These reforms aim to simplify compliance, promote transparency, and support digitization and ease of doing business. The key objectives of these laws include protecting workers from exploitation, regulating employment terms like wages and working hours, promoting workplace welfare through facilities like crèches and restrooms, resolving industrial disputes through legal mechanisms, and ensuring access to social security benefits such as provident fund, insurance, and pensions. Together, these codes strive to balance industrial efficiency with the dignity and rights of workers.
- Employees' State Insurance Act, 1948 – provides health and social security benefits.
- Employees' Provident Fund Act, 1952 – ensures retirement savings.
- Factories Act, 1948 – regulates working conditions in factories.
- Industrial Disputes Act, 1947 – manages conflict resolution and industrial relations.
- Payment of Wages Act, 1936 and Minimum Wages Act, 1948 – ensure timely and fair wage payments.
- Maternity Benefit Act, 1961 and Equal Remuneration Act, 1976 – protect women workers and provide maternity benefits.
- Child Labour (Prohibition and Regulation) Act, 1986 – bans hazardous child labour.
- Contract Labour Act, 1970 – regulates outsourced employment.

## OVERVIEW OF IMPORTANT LABOUR LAWS IN INDIA

India's labour laws are designed to regulate the relationship between employers, employees, and trade unions, ensuring fair treatment, workplace safety, and social security. These laws evolved from colonial-era regulations and were significantly reformed post-independence to promote industrial harmony and protect workers' rights. The Constitution of India supports labour welfare through Fundamental Rights and Directive Principles, making labour a concurrent subject for both central and state legislation.

### Key laws include:

- Apprentices Act, 1961 – governs training of technical personnel.

India's labour laws are designed to regulate the relationship between employers, employees, and trade unions, ensuring fair treatment, workplace safety, and social security.

- Inter-State Migrant Workmen Act, 1979 - safeguards the rights and welfare of workers employed across state lines through licensed contractors.

## LAW OF WELFARE AND WORKING CONDITIONS

**A. The Factories Act, 1948** stands as the most comprehensive legislation governing working conditions in manufacturing establishments, covering approximately 40 million workers across various industrial sectors. This Act establishes detailed standards for health, safety, welfare, and working hours while creating institutional mechanisms for enforcement and compliance monitoring. The significance of this Act extends beyond its direct coverage, as many of its principles and standards have influenced other labour laws and continue to serve as benchmarks for good industrial practices.

### Compliance Framework: Key Provisions and Operational Requirements

PARTICULARS	SALIENT FEATURES
<b>Objective</b>	To regulate working conditions in factories, ensure health, safety, and welfare of workers, prevent exploitation, and provide special provisions for women, children, and young persons. It aims to create a safe, clean, and humane industrial environment.
<b>Applicability</b>	Applies to any premises where: <ul style="list-style-type: none"> <li>• 10 or more workers are employed with power</li> <li>• 20 or more workers are employed without power</li> </ul> Excludes mines, armed forces mobile units, railway running sheds, hotels, and restaurants.
<b>Health Provisions</b>	<ul style="list-style-type: none"> <li>• Cleanliness of premises (Sec. 11)</li> <li>• Disposal of waste and effluents (Sec. 12)</li> <li>• Adequate ventilation and temperature control (Sec. 13)</li> <li>• Dust and fume control (Sec. 14)</li> <li>• Drinking water (Sec. 18)</li> <li>• Latrines and urinals (Sec. 19)</li> <li>• Spittoons (Sec. 20)</li> </ul>

<b>Safety Measures</b>	• Fencing of machinery (Sec. 21), 10+ (with power) or 20+ (without power)
	• Employment restrictions for young persons on dangerous machines (Sec. 23)
	• Fire safety and emergency exits (Sec. 38)
	• Safety officers in factories with $\geq 1000$ workers (Sec. 40B)
	• Mandatory appointment of a <b>Safety Officer</b> to oversee compliance.
	• Workers' right to warn about imminent danger (Sec. 41H)
<b>Welfare Facilities</b>	• Washing facilities (Sec. 42)
	• Facilities for storing and drying clothing (Sec. 43)
	• Sitting arrangements (Sec. 44)
	• First-aid appliances (Sec. 45)
	• Canteens (Sec. 46) - 250+ workers
	• Rest rooms and Lunchrooms (Sec. 47) - 150+ workers
	• Creches for $\geq 30$ women workers (Sec. 48)
	• Welfare officers (Sec. 49)
<b>Working Hours &amp; Overtime</b>	• Maximum 48 hours/week, 9 hours/day (Sec. 51, 54)
	• Weekly holidays (Sec. 52)
	• Rest intervals (Sec. 55)
	• Overtime paid at double rate (Sec. 59)
	• No overlapping shifts or double employment (Sec. 58, 60)
<b>Dispute Management</b>	• Inspectors empowered to enforce compliance and mediate grievances (Sec. 9)
	• Safety Committees for hazardous processes (Sec. 41G)
	• Penalties for violations: up to Rs. 1 lakh and/or 2 years imprisonment (Sec. 92)
	• Enhanced penalties for repeat offences (Sec. 94)
<b>Hazardous Processes</b>	• Site Appraisal Committee (Sec. 41A)
	• Disclosure of hazardous materials (Sec. 41B)
	• Emergency standards and permissible exposure limits (Sec. 41E, 41F)
	• Workers' participation in safety management (Sec. 41G)

### RRR Framework for Compliance: Registration, Returns & Records

PARTICULARS	SALIENT FEATURES
<b>Registration &amp; Licensing</b>	• Section 6: Requires prior approval of factory building plans and layout from the Chief Inspector of Factories.
	• Section 7: Occupier must send a written notice at least 15 days before starting operations, including details like name, address, nature of manufacturing process, number of workers, and power usage.
	• Licensing is mandatory and issued by the State Labour Department. It must be renewed periodically and is subject to compliance with health, safety, and welfare norms.
	• Any changes in factory layout, nature of work, or workforce size must be reported.
	• Operating without registration or license can attract penalties under Section 92, including fines and imprisonment.
<b>Returns &amp; Records</b>	• Section 110: Factories must submit Annual Returns to the Chief Inspector detailing: <ul style="list-style-type: none"> <li>♦ Total number of workers employed</li> <li>♦ Number of days worked</li> <li>♦ Hours of work and shift schedules</li> <li>♦ Accidents and injuries</li> <li>♦ Welfare facilities provided</li> <li>♦ Safety measures implemented</li> </ul>
	• Returns must be submitted in prescribed formats and within stipulated timelines.
	• Non-submission or incorrect reporting may lead to penalties and inspection notices.

<b>Registers &amp; Documentation</b>	<ul style="list-style-type: none"> <li>Section 61: Notice of periods of work for adult workers must be displayed and submitted to the Inspector.</li> </ul>
	<ul style="list-style-type: none"> <li>Section 62: Register of Adult Workers must include name, nature of work, group, and shift details.</li> </ul>
	<ul style="list-style-type: none"> <li>Section 79: Leave with Wages Register must record leave entitlements, availed leave, and wages paid during leave.</li> </ul>
	<ul style="list-style-type: none"> <li>Section 88 &amp; 89: Accident Register must document all incidents and occupational diseases and notify authorities.</li> </ul>
	<ul style="list-style-type: none"> <li>Muster Rolls: Daily attendance and wage records.</li> </ul>
	<ul style="list-style-type: none"> <li>Overtime Register: Details of extra hours worked, and wages paid.</li> </ul>
	<ul style="list-style-type: none"> <li>Health &amp; Safety Audit Logs: Especially for hazardous processes under Section 41B–41H. These records must be maintained in prescribed formats and made available during inspections.</li> </ul>

## B. Law of Contract Labour

The Contract Labour (Regulation and Abolition) Act, 1970 addresses one of the most complex challenges in modern employment relationships - the regulation of triangular employment arrangements involving principal employers, contractors, and contract workers. This legislation recognizes that while contract labour provides necessary flexibility for businesses to manage fluctuating demand and specialized requirements, it also creates potential for exploitation and denial of statutory benefits. The Act's approach of regulating rather than prohibiting contract labour reflects a pragmatic recognition of economic realities while ensuring that contract workers receive equal treatment and protection.

### Compliance Framework: Key Provisions and Operational Requirements

PARTICULARS	SALIENT FEATURES
<b>Objective of the Act</b>	<ul style="list-style-type: none"> <li>To regulate the employment of contract labour in certain establishments and provide for its abolition in specific cases.</li> </ul>
	<ul style="list-style-type: none"> <li>To prevent exploitation of contract workers and ensure humane working conditions.</li> </ul>
	<ul style="list-style-type: none"> <li>To define responsibilities of principal employers and contractors regarding wages, welfare, and safety.</li> </ul>
<b>Applicability</b>	<ul style="list-style-type: none"> <li>Applies to establishments and contractors employing 20 or more contract workers on any day in the preceding 12 months.</li> </ul>
	<ul style="list-style-type: none"> <li>Excludes work of an intermittent or casual nature.</li> </ul>
	<ul style="list-style-type: none"> <li>Applicability thresholds vary by state (e.g., 50 workers in Maharashtra, 5 in Assam).</li> </ul>
<b>Important Provisions</b>	<ul style="list-style-type: none"> <li>Registration of Establishments: Principal employers must register with the appropriate government authority.</li> </ul>
	<ul style="list-style-type: none"> <li>Licensing of Contractors: Contractors must obtain licenses to supply contract labour.</li> </ul>
	<ul style="list-style-type: none"> <li>Prohibition of Contract Labour: The Government may prohibit contract labour in specific operations if deemed necessary.</li> </ul>
	<ul style="list-style-type: none"> <li>Wages &amp; Welfare: Contractors are responsible for timely payment of wages and provision of welfare amenities.</li> </ul>
	<ul style="list-style-type: none"> <li>Advisory Boards: Central and State Advisory Boards are constituted to advise on matters related to contract labour.</li> </ul>
<b>Facilities in Large &amp; Medium Factories</b>	<ul style="list-style-type: none"> <li>Medium Factories (20–100 workers): Must provide basic amenities like drinking water, restrooms, and first-aid.</li> </ul>
	<ul style="list-style-type: none"> <li>Large Factories (&gt;100 workers): Must provide canteens, crèches (if women are employed), rest rooms, and welfare officers.</li> </ul>
	<ul style="list-style-type: none"> <li>Facilities must be maintained by the contractor but supervised by the principal employer.</li> </ul>
<b>Safety Measures</b>	<ul style="list-style-type: none"> <li>Contractors must ensure safe working conditions, protective equipment, and compliance with safety norms.</li> </ul>
	<ul style="list-style-type: none"> <li>Principal employers are responsible for ensuring that contractors follow safety protocols.</li> </ul>
	<ul style="list-style-type: none"> <li>Inspectors appointed under the Act can inspect premises and enforce safety compliance.</li> </ul>
<b>Dispute Management</b>	<ul style="list-style-type: none"> <li>Disputes related to wages, working conditions, or employment status are handled under the Industrial Disputes Act, 1947.</li> </ul>
	<ul style="list-style-type: none"> <li>The Act empowers inspectors to investigate complaints and enforce compliance.</li> </ul>



**RRR Framework for Compliance: Registration, Returns & Records**

PARTICULARS	SALIENT FEATURES
<b>Registration &amp; Licensing</b>	<ul style="list-style-type: none"> <li>Registration of Establishments (Section 7): Every principal employer must apply for registration of the establishment using Form I before engaging contract labour.</li> <li>Licensing of Contractors (Section 12): Contractors must obtain a license from the licensing officer using Form IV and renew it periodically.</li> <li>Revocation of Registration (Section 8): Registration may be revoked for non-compliance or misrepresentation.</li> <li>Effect of Non-Registration (Section 9): No principal employer can employ contract labour without registration.</li> <li>Display of License: Contractors must display the license prominently at the work site.</li> </ul>
	<ul style="list-style-type: none"> <li>Half-Yearly Return by Contractor (Rule 82, Form XXIV): Must be submitted to the licensing officer within 30 days of the close of the half-year.</li> <li>Annual Return by Principal Employer (Form XXV): Must be submitted to the registering officer by 15<sup>th</sup> February each year.</li> <li>Return on Commencement/Completion of Contract (Form VI-B): Submitted within 15 days of starting or ending a contract.</li> <li>Wage Slips (Form XIX): Issued one day before wage disbursement if wage period is one week or more.</li> <li>Certificate of Wage Payment: Principal employer's representative must certify wage payment in the wage register.</li> </ul>
	<ul style="list-style-type: none"> <li>Register of Contractors (Form XII): Maintained by the principal employer listing all contractors engaged.</li> <li>Register of Employees Employed by Contractor (Form XIII): Maintained by the contractor with details of all workers.</li> <li>Muster Roll (Form XVI): Daily attendance record.</li> <li>Wage Register (Form XVII): Details of wages paid.</li> <li>Overtime Register (Form XX): Records of extra hours worked and payment.</li> <li>Fine Register (Form XXI), Deduction Register (Form XXII), Advance Register (Form XXIII): Maintained for disciplinary and financial deductions.</li> <li>Display Requirements: Notice of wage rates and a copy of the Act and Rules must be displayed at the worksite.</li> <li>ESI &amp; EPF Compliance: Contractors must deposit contributions and submit challans to the principal employer.</li> </ul>

**CLRA Registration & Licensing Process (Shram Suvidha Portal)**

Process	Step
<b>CLRA Registration (Principal Employer)</b>	1. Login to Shram Suvidha Portal
	2. Select "New Registration" → Contract Labour Act
	3. Fill form: Employer, Establishment, Manager, Contractor & Work details
	4. Upload documents (e.g., Form V)
	5. e-Sign using Aadhaar OTP or DSC
	6. Pay registration fee
	7. Download registration certificate
<b>CLRA Licence (Contractor)</b>	1. Login to portal
	2. Click "Apply for New Licence" → Contract Labour Act
	3. Fill form: Contractor, Establishment, Work details
	4. Upload documents (e.g., Form III)
	5. e-Sign using Aadhaar OTP or DSC
	6. Pay licence fee & security deposit
	7. Download licence certificate
<b>Benefits of Portal</b>	Single window for multiple labour laws
	Real-time tracking
	Digital authentication
	Transparent fee structure
<b>Support</b>	help-shramsuvidha@gov.in
	Portal: registration.shramsuvidha.gov.in

### C. Law for Child and Adolescent Labour

The Child and Adolescent Labour (Prohibition and Regulation) Act, 1986 represents India's commitment to eliminating child labour while protecting adolescent workers from exploitation. This legislation adopts a comprehensive approach that combines complete prohibition of child labour with regulated permission for adolescent employment in non-hazardous occupations. The Act reflects evolving international standards on child rights and labour protection while recognizing the complex socio-economic factors that contribute to child labour in developing economies.

#### Compliance Framework: Key Provisions and Operational Requirements

PARTICULARS	SALIENT FEATURES
<b>Objective of the Act</b>	<ul style="list-style-type: none"> <li>To prohibit the employment of children (below 14 years) in all occupations and processes.</li> <li>To prohibit the employment of adolescents (14–18 years) in hazardous occupations and processes.</li> <li>To regulate the conditions of work for adolescents in non-hazardous occupations.</li> <li>To ensure the right to education and protection from exploitation.</li> </ul>
<b>Applicability</b>	<ul style="list-style-type: none"> <li>Applies to all establishments across India including shops, workshops, farms, hotels, restaurants, and entertainment venues.</li> <li>Children: Complete prohibition in all occupations.</li> <li>Adolescents: Prohibited from working in hazardous occupations listed in the Schedule of the Act.</li> <li>Applies to both public and private sector establishments.</li> </ul>
<b>Important Provisions</b>	<ul style="list-style-type: none"> <li>Section 3: Prohibits employment of children in any occupation or process.</li> <li>Section 3A: Prohibits employment of adolescents in hazardous occupations.</li> <li>Section 7–9: Regulates working hours, weekly holidays, and rest intervals for adolescents.</li> <li>Section 11: Requires employers to notify inspectors and maintain registers.</li> <li>Section 14: Prescribes penalties for violations—minimum 6 months to 2 years imprisonment or fines from Rs. 20,000 to Rs. 50,000.</li> </ul>
<b>Facilities in Establishments</b>	<ul style="list-style-type: none"> <li>Establishments employing adolescents must provide: <ul style="list-style-type: none"> <li>Clean drinking water</li> <li>Restrooms and wash areas</li> <li>First-aid facilities</li> <li>Proper lighting and ventilation</li> </ul> </li> <li>Facilities must be maintained as per prescribed standards under the rules framed by the appropriate government.</li> </ul>
<b>Safety Measures</b>	<ul style="list-style-type: none"> <li>Employers must ensure that adolescents are not exposed to hazardous machinery, chemicals, or unsafe environments.</li> <li>Safety gear and training must be provided wherever applicable.</li> <li>Inspectors are empowered to conduct surprise inspections and enforce safety compliance.</li> <li>Adolescents must not be employed during night shifts or in confined spaces.</li> </ul>
<b>Dispute Management</b>	<ul style="list-style-type: none"> <li>Disputes regarding age or employment status are resolved by the Inspector under the Act.</li> <li>Employers must maintain age verification documents (e.g., birth certificate, school records).</li> <li>Violations are prosecuted under Section 14, and offences are cognizable.</li> <li>The Act works in coordination with the Right to Education Act, 2009 and Juvenile Justice (Care and Protection of Children) Act, 2015 for rehabilitation.</li> </ul>

**RRR Framework for Compliance: Registration, Returns & Records**

PARTICULARS	SALIENT FEATURES
<b>Registration &amp; Licensing</b>	<ul style="list-style-type: none"> <li>Notice to Inspector (Section 9): Every occupier of an establishment employing adolescents must send a written notice to the Inspector within 30 days of commencement of the Act or employment.</li> </ul>
	<ul style="list-style-type: none"> <li>The notice must include:               <ul style="list-style-type: none"> <li>Name and location of the establishment.</li> <li>Name of the person managing the establishment.</li> <li>Address for communication.</li> <li>Nature of occupation or process carried out.</li> </ul> </li> </ul>
	<ul style="list-style-type: none"> <li>The Act does not prescribe periodic returns like other labour laws but requires notification of employment and maintenance of records.</li> </ul>
	<ul style="list-style-type: none"> <li>The occupier must notify the Inspector of any new adolescent employment within 30 days.</li> </ul>
	<ul style="list-style-type: none"> <li>In case of changes in management or nature of work, updated information must be submitted.</li> </ul>
	<ul style="list-style-type: none"> <li>Records must be available for inspection at all times during working hours.</li> </ul>
<b>Returns &amp; Records</b>	<ul style="list-style-type: none"> <li>Register of Adolescents (Section 11): Every occupier must maintain a register showing:               <ul style="list-style-type: none"> <li>Name and date of birth of each adolescent employed.</li> <li>Hours and periods of work.</li> <li>Intervals of rest.</li> <li>Any other prescribed particulars.</li> </ul> </li> <li>This register must be kept at the workplace and made available to inspectors.</li> <li>Age Verification Documents: Employers must maintain valid proof of age (e.g., birth certificate, school records) to resolve disputes regarding age (Section 10).</li> <li>Health &amp; Safety Records (Section 13): Rules may require documentation of safety measures, training, and compliance with prescribed standards.</li> </ul>

**KGF Framework for Labour Law Compliance: Strategic Role of the Company Secretary**

KGF Pillar	Focus Area	Notable Points
<b>K – Knowledge</b>	<b>Understanding Labour Laws</b>	<ul style="list-style-type: none"> <li>Stay updated with amendments and notifications under the Factories Act, 1948; Contract Labour Act, 1970; and Child Labour Act, 1986.</li> <li>Understand applicability thresholds, registration/licensing requirements, and statutory obligations.</li> <li>Be aware of penalties, inspector powers, and documentation standards.</li> </ul>
		<ul style="list-style-type: none"> <li>Act as compliance officer for labour laws.</li> </ul>
		<ul style="list-style-type: none"> <li>Liaise with labour authorities and ensure timely filings.</li> </ul>
	<b>Role of Company Secretary</b>	<ul style="list-style-type: none"> <li>Advise the Board on labour law risks and obligations.</li> <li>Ensure contractors and vendors are compliant.</li> </ul>
<b>G – Governance</b>	<b>Corporate Governance Integration</b>	<ul style="list-style-type: none"> <li>Include labour law compliance in Board and Audit Committee agendas.</li> <li>Align labour practices with CSR and ESG goals.</li> <li>Promote ethical employment, workplace safety, and fair wages.</li> <li>Ensure grievance redressal mechanisms are in place.</li> </ul>
		<ul style="list-style-type: none"> <li>Communicate labour policies to employees, contractors, and regulators.</li> </ul>
		<ul style="list-style-type: none"> <li>Conduct awareness sessions and training on labour rights and obligations.</li> </ul>
		<ul style="list-style-type: none"> <li>Maintain transparency in employment practices.</li> </ul>
	<b>Stakeholder Engagement</b>	



F – Formulation	Internal SOPs for Compliance	<b>Factories Act, 1948 SOPs:</b>
		♦ Factory registration and licensing checklist.
		♦ Health & safety audit schedule.
		♦ Registers: Adult workers, leave, accidents.
		♦ Annual return filing calendar.
		<b>Contract Labour Act, 1970 SOPs:</b>
		♦ Contractor onboarding and license verification.
		♦ Wage and attendance record formats.
		♦ Half-yearly and annual return templates.
		♦ Display of notices and compliance posters.
		<b>Child Labour Act, 1986 SOPs:</b>
		♦ Age verification protocol.
		♦ Employment prohibition checklist.
		♦ Register of adolescents with work hours.
		♦ Inspector notification format and timeline.

## COMPANY SECRETARIES: ARCHITECTS OF ETHICAL COMPLIANCE IN VIKSIT BHARAT

In this transformative landscape, the Company Secretary emerges as a pivotal governance professional—bridging legal mandates with corporate responsibility. Through the **KGF** Framework—Knowledge, Governance, and Formulation—the Company Secretary ensures that compliance is not merely procedural but deeply embedded in the ethical DNA of the organization. From managing registrations and licenses to maintaining statutory registers, filing returns, and ensuring workplace safety, the Company Secretary plays a vital role in upholding the dignity and rights of every worker.

This journey is beautifully echoed in the spirit of “**Bharat Bhagya Vidhata**”—India as the architect of its own destiny. When every act of compliance becomes a step toward equity, and every workplace a space of empowerment, we move closer to realizing this vision. Labour laws, when implemented with integrity and foresight, become instruments of national transformation—enabling India to rise not just as an economic force, but as a socially responsible and ethically governed nation.

As custodians of corporate governance, Company Secretaries are not only ensuring legal adherence but also shaping the future of ethical business in India. Their evolving role promises continuous professional growth, deeper societal impact, and a meaningful contribution to the making of **Viksit Bharat@2047**.

Guided by the Gita’s wisdom—“**Swadharme nidhanam shreyah**”—they uphold their duty with integrity, ensuring ethical governance, worker welfare, and regulatory excellence. In doing so, they not only support national progress but also shape meaningful, future-ready careers rooted in purpose and responsibility.

## CONCLUSION

### Empowering Compliance, Enabling Transformation

India’s journey toward becoming a developed nation—*Viksit Bharat*—depends on strong labour laws that protect workers and promote fair practices. By following clear rules for Registration, Record-keeping, and Reporting (RRR), and focusing on Knowledge, Governance, and Formulation of internal processes (KGF), companies can build safe and equitable workplaces. Company Secretaries play a key role in making sure these laws are followed not just on paper, but in spirit. When compliance is done with honesty and care, it helps create a better future for workers and supports India’s growth as a fair and responsible nation.

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# Beneficial Legislation: Factories Act, 1948

The article delves on the Legislative provisions under Factories Act, 1948. The author emphasizes on the need to open more factories in order to expand the manufacturing activities in various sectors of the economy. Further the article also enumerates various provisions related to welfare and working conditions.



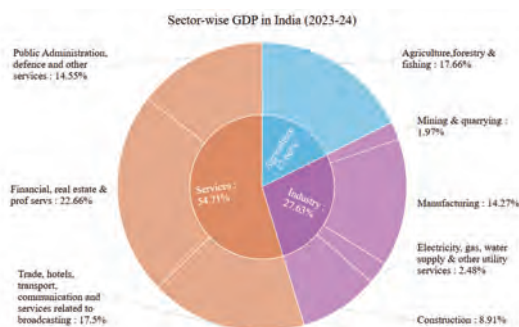
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## INTRODUCTION

The Government of India initiated the push for Liberalisation, Privatisation, and Globalisation (LPG) starting from 1993. The Government of India after many efforts came up with 4 Codes on Labour by consolidating 29 labour laws i.e. the Code on Wages, 2019, the Occupational Safety, Health and Working Conditions Code, 2020, the Code on Social Security, 2020 and the Industrial Relations Code, 2020. Till the codes are fully implemented the licensing and registration shall continue to be governed by the Provisions of the Factories Act, 1948 (hereinafter referred to as the Act).

India needs rapid growth in manufacturing sector which requires establishing more and more factories. This is required in tune with the growth trajectory being envisaged with a view that the Indian economy grows at a rapid pace and India attains the status of manufacturing global hub. As on Financial Year 2023-24 share of various sectors to the GDP is as under:



Source: <https://statisticstimes.com/economy/country/india-gdp-sectorwise.php>

One of the important factors contributing to the growth of Indian economy is contribution of Manufacturing Sector. Currently, in Financial Year 2024-25, the share of Manufacturing to the India's GDP is 17%. India has long-standing target of 25% GDP share for manufacturing to make it a global manufacturing powerhouse.

The procedure, regulation and rules for registration and licencing of Factories under the Act, are being dealt hereunder in the article along with the provisions related to welfare and working conditions.

Sector-wise Factories During 2020:

Table 1

Sector	Number of Working Factories	Percentage to Total
Public	3825	2.09
Private	179195	97.91
<b>Total</b>	<b>183020</b>	<b>100.00</b>

Source: [https://labourbureau.gov.in/uploads/pdf/FA\\_2020.pdf](https://labourbureau.gov.in/uploads/pdf/FA_2020.pdf)

The data as to the annual return submitted in terms of requirement under the Act, from 2014 is as under:

Table 2: Annual Return

Year	Total No. of Working Factories submitting returns	Percentage of Factories (Submitting Returns)		
		Employees Less Than Workers	Employing 50 or more but less than 500 workers	Employing 500 or more workers
2014	39527	75	22	3
2015	45976	72	25	3
2016	48727	69	28	3
2017	52334	62	31	7
2018	26534	57	36	7
2019	56659	70	26	4
2020	48406	65	29	6

Source: [https://labourbureau.gov.in/uploads/pdf/FA\\_2020.pdf](https://labourbureau.gov.in/uploads/pdf/FA_2020.pdf)

## LEGISLATIVE PROVISIONS

To register as a factory under the Act, there are many requirements that are to be complied with under the Rules framed in terms of the Act. These rules are framed by State Governments. Apart from the aforesaid, permission is also required to be obtained before establishing the Factory in the Municipal Area under relevant Municipal Act. State Government derives power to frame rules under Section 112 of the Act. The provision in this regard is as under:

**"112. General power to make rules** —The State Government may make rules providing for any matter which, under any of the provisions of this Act, is to be or may be prescribed or which may be considered expedient in order to give effect to the purposes of this Act."

Therefore procedure, format, and other requirements more particularly the specific documents required while applying for registration for factories may differ from state to state. Government of India, Ministry of Labour has published model Factories Rules to be adopted by the various State Governments<sup>1</sup>. Each State Government has issued Factories Rules. Factories running in each State are required to comply with the Central Act and Rules published by the respective State Government.

## INTENT OF ENACTMENTS

Factories Act, 1948 and the rules framed thereunder with an intent to provide for health, safety, welfare, working hours, leave and other benefits for workers, employed in factories and also provides for improvement of working conditions within the factory premises. Hon'ble Apex Court in the case of *Balwant Rai Saluja v. Air India Ltd.*, (2014) 9 SCC 407 has held that the Act is a social and beneficial legislations. It has been enacted with main objective to protect interest of workers engaged in factories against occupational hazards and owners of factories are under obligation to ensure conditions conducive to workers health and safety. Courts have held that the provision of the Act is to be interpreted in a manner so as to give efficacy to the legislative intent.

## REGISTRATION OF FACTORIES<sup>2</sup>

Factories Act, 1948 provides that state governments are required to make rules for granting approval, licensing and registration of Factories under Section 6. This section stipulates that the request for permission for establishing factory is to be sent to the authorities by registered post and if no order is communicated within 3 months, it is deemed that the permission is granted. Further, in case of refusal to grant permission on application submitted, an appeal, within 30 days of refusal, lies to Central Government or to State Government as the case may be. Replacement, addition of plant and machinery does not require approval. However, it is made clear in the section that notice is required to be given under Section 7 for obtaining new/ renewal of licence and before occupying the premises and use it as factories. Rule 3 to 13 of Factories Rule prescribes the procedure, forms, schedule and formats in which application for obtaining licence is to be submitted.

## FACTORY AND MANUFACTURING PROCESS

In order to understand the applicability of the Act at any workplace, it is important to understand what is the meaning of "Factory" {Section 2(m)} and "Manufacturing process" {Section 2(k)}. As per the Act the premises including the precincts thereof is called factory if manufacturing process is carried on in any part of such place, by either ten or more workers with the aid of power or by twenty or more workers without the aid of power on any day of the preceding twelve months. Mines and mobile unit of armed forces, railway running shed, hotel, restaurant's or eating place are excluded and are not covered under Factories Act, 1948. In order to compute the number of workers, all workers in different groups and relays in a day are taken into account. However, an Electronic Data Processing Unit or Computer unit, if installed

in any premise shall not be included in definition of factory if no manufacturing process is carried out at that place.

"Manufacturing process" means process for making, altering, repairing, ornamenting, finishing, packing, oiling, washing, cleaning, breaking up, demolishing, or otherwise treating or adapting any article or substance with a view to its use, sale, transport, delivery or disposal, or pumping oil, water, sewage or any other substance, or generating, transforming or transmitting power, or composing types for printing, printing by letter press, lithography, photogravure or other similar process or book binding; or constructing, reconstructing, repairing, refitting, finishing or breaking up ships or vessels; or preserving or storing any article in cold storage.

## INTERPRETATION BY COURTS

Hon'ble High Court of Bombay in the case of *Kisan Atmaram Kasti v. Forest Development Corporation of Maharashtra Ltd.*, 2011 SCC OnLine Bom 250, held that the corporation is a factory as it is dealing with forest produce is engaged in commercial activities and there is manufacturing process involved converting forest produce to marketable product with a view to earn profits.

In case where the premise is used by Non-profit organisation but manufacturing process is carried out therein, then such place has also been defined as "Factory". Hon'ble Supreme Court in the case of *Delhi Gymkhana Club Ltd. v. ESI Corpn.*, (2015) 1 SCC 142 while adjudicating the short point whether the kitchen of the appellant Club and the catering section thereon come within the meaning of "factory" and "manufacturing process" as defined in the Employees' State Insurance Act, 1948 has held that Although term "kitchen" and "catering" of a club may not be called a "factory" in common parlance, having regard to definition of "manufacturing process" and that ESI Act is a beneficial legislation, a liberal interpretation has to be adopted. Therefore, so long as manufacturing process is carried on with or without the aid of power by employing more than twenty persons for wages, it would come within the meaning of "factory" as defined under Section 2(12) of the ESI Act, 1948.

However it is apt to add that the definition of "factory" in Factories Act and Employees' State Insurance Act are not the same. Explanation II of Section 2(m) of the Factories Act is inserted in the Factories Act and not in the Employees' State Insurance Act. It marks difference in its interpretation and application. In the definition of "factory" under Factories Act the words "worker working" are used, while in the Employees' State Insurance Act, in the section defining "factory", the term "person employed for wages" are used. A difference in these two definition of one word "factory" can be explained by example. A clerk or staff in the premises is not covered under the definition of "worker" under the Factories Act, however, under the Employees' State Insurance Act, the word "worker" is *not used but the legislature chose the word "person"* and for "working", the word "employed" is used. Thus, the premises where person is employed for a clerical work is covered under the definition "factory" under the Employees' State Insurance Act. Therefore, definition of "factory" has wider meaning under the Employees' State Insurance Act than the Factories Act as held in *Quzi Noorul, H.H.H. Petrol Pump v. Deputy Director, Employees' State Insurance Corporation*, reported in (2009) 15 SCC 30.

<sup>1</sup> [https://upload.indiacode.nic.in/showfile?actid=AC\\_CEN\\_6\\_6\\_000010\\_194863\\_1517807319577&type=rule&filename=Model%20Rules%20Part%20I%20framed%20under%20the%20Factories%20Act,%201948.pdf](https://upload.indiacode.nic.in/showfile?actid=AC_CEN_6_6_000010_194863_1517807319577&type=rule&filename=Model%20Rules%20Part%20I%20framed%20under%20the%20Factories%20Act,%201948.pdf)

<sup>2</sup> Factories Act 1948



## SINGLE OR MULTIPLE FACTORIES IN AN ORGANISATION

Section 4 of the Factories Act empowers the State Government, on its own or on application, to direct by an order in writing and subject to conditions as deem fit for the Act that different departments or branches of a factory of the occupier shall be treated as separate factories or that two or more factories of the occupier shall be treated as a single factory.

## PROVISIONS RELATED TO WELFARE AND WORKING CONDITIONS

Factories Act, 1948 is divided into 12 chapters. Chapters from II to VIII deals with the welfare of workers and working conditions in a factory. In order to ensure health and hygiene in the factory specific provisions is laid down for Cleanliness, Disposal of wastes & effluents, Ventilation and temperature, dust & fumes, for artificial humidification, to avoid overcrowding, for proper lighting and arrangements of drinking water, for latrines & urinal and also for spittoons in chapter III of the Act.

With respect to cleanliness, the rules requires that a register is maintained by the factory about the whitewashing, painting etc under Section 11 (1) of the Act. Rules requires that the treatment and disposal of wastes and effluents is done in accordance with the stipulation as approved by Air Pollution Boards appointed under the Water (Preventions and Control of Pollution) Act, 1974 or any other authorities appointed by State Government in this regard. Similarly, the rules required specific arrangements are done to maintain ventilation, temperature in factories where artificial humidification is not allowed. Therefore rules framed by respective state government prescribe the records to be maintained and also limits within which the working environment is maintained in the factory.

Safety in the workplace is to be maintained in terms of the provision contained in Chapter IV of the Act. In terms of the provision of Section 40-B of the Act, appointment of certain number of safety officers in a factory is a statutory obligation on the part of the employer. The requirement of safety officer is stipulated for factory having more than 1000 workers. There is specific provisions for protective appliances/equipment to be given to workers. Chapter IV-A of the Act stipulates that while dealing with application for factories involving hazardous process a self appraisal committee is constituted by State Government for making recommendations in terms of provision under Section 44A of the Act. The law also mandates compulsory disclosure of information by Occupier. In terms of the Rule safety committees are formed in the factories having the minimum number of workers. Under MP factories rule, safety committee is required to be constituted where the minimum number of workers is 250 or factories which carries on any process or operation declared to be dangerous.

The Act in terms of the stipulation contained in Section 49, requires appointment of Welfare officer in factory having more than 500 workers. Also, rules are framed by State Government in terms of the power vested in them

under Section 52 of the Act. Rules provide for qualification, functions and appointment of welfare officers for monitoring the compliances and working conditions of the workers. Similarly, there are various provision under the Act and rules made in relation to which compliances are required to be done by the occupier.

## OTHER LEGISLATIONS

Apart from factories being an area where labours interest is required to be protected, there are certain other legislation which takes care and protects the interest of workers and labours engaged. In relation to mines, Mines Act, 1952 provides for various compliances to ensure safety, health and working conditions of labours. Also, Building and Other Construction Workers Act, 1996 and Cess Act, 1996 provides for welfare of workers engaged in the unorganised sectors.

## CONCLUSION

From the aforesaid, it is clear that the Act and other legislations not only takes care of the welfare of the workers but also there are provisions with respect to working conditions at the factory. One has to go through the relevant rules applicable in the state where the factory is situated or work is being done, so as to understand all the compliances and corresponding obligations of the employer. With respect to the Act, the model rules framed requires that the occupier of every factory, except as otherwise provided, shall prepare a written statement of his policy in respect of health and safety of workers at work. Therefore the provisions of the Act being a beneficial legislation for the welfare of the workers ensures that the factories are managed in such a way that will not only benefits the employer but also ensures that the workers interest is safeguarded and there is no compromise with their health and safety.

The legislation requires that records related to compliances are properly maintained and produced to the authorities and annual reports are submitted to them. CS being the governance professionals shall have to play a crucial role in ensuring that the compliances are done and also the reports related to the compliances are made part of the Business Responsibility & Sustainability reports of the Company.

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# The Governance Horizon: Gig Labour Meets Green Capital!

This article maps the convergence of platform-mediated gig labour and rapidly expanding green industries. For practising Company Secretaries and economists, it offers: (a) a layered taxonomy of statutory and quasi-regulatory requirements; (b) pragmatic compliance architectures for businesses operating at the intersection of gig work and green projects; and (c) targeted policy recommendations that reconcile labour protections, platform models and credibility in green financing.



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## INTRODUCTION

**T**he convergence of two modern disruptors — platform-mediated gig labour and rapidly expanding green industries — is producing a novel compliance frontier for corporate governance, licensing regimes and public policy. This article maps the regulatory terrain as it stands in 2025, contrasting India's nascent state-and-centre responses with the EU's Directive-based approach, the US's patchwork outcomes (including landmark state-level politics), and international efforts to stabilise environmental finance markets. For practising Company Secretaries and economists, it offers: (a) a layered taxonomy of statutory and quasi-regulatory requirements; (b) pragmatic compliance architectures for businesses operating at the intersection of gig work and green projects; and (c) targeted policy recommendations that reconcile labour protections, platform models and credibility in green financing. Evidence comes from recent statutory acts, central regulatory circulars, policy drafts and leading multi-stakeholder governance initiatives.

### 1. Why this matters?

Company Secretaries sit at the crossroads of corporate law, regulatory compliance and stakeholder trust. In 2025, two vectors have become systemic risk multipliers:

- Platform work generates contingent liabilities (classification, social security, data-governance obligations) that can convert into balance-sheet and reputational risk overnight.

- Green industry financing — labels, taxonomies and carbon instruments — is under intense regulatory tightening to prevent greenwashing and protect investor trust; missteps bring regulatory sanctions and capital-market exclusion.

The practical problem is not theory: it is designing governance systems that simultaneously manage labour rights, platform innovation, licensing obligations and the credibility of sustainability claims.

### 2. Hidden Governance Frictions in the Gig-Green Nexus

One of the underexplored challenges at this convergence is the asymmetry between who bears the compliance burden and who captures the financial upside. Platforms typically outsource regulatory obligations to individual workers by framing them as “independent contractors,” while green financiers impose disclosure-heavy requirements that only large corporates can absorb. This creates a dual governance gap: fragmented responsibility at the labour end and concentrated power at the capital end.

Another friction lies in jurisdictional timing mismatches. Labour-related statutes tend to evolve slowly through parliamentary debate and litigation, while green finance regulations are being recalibrated almost yearly in response to climate deadlines and investor pressure. Firms operating across both vectors are therefore trapped between a lagging welfare framework and a hyperactive financial disclosure regime — an imbalance that generates unpredictable liabilities.

A third blind spot is the emergence of informal ecosystems around both gig work and climate finance. In India, millions of platform workers are active in semi-regulated spaces such as local delivery collectives or renewable installation crews without formal registration. Similarly, carbon markets and ESG-labelled securities are spawning grey areas of unverified credits and voluntary labels. These informal layers are largely invisible to regulators but constitute real systemic risk — from under protected workers to capital misallocation.

Finally, governance in the gig-green economy is increasingly mediated by digital infrastructure.

Digital IDs, welfare portals, blockchain registries, and AI-led monitoring tools now act as de facto regulators, often more powerful than statutes themselves. Yet the governance of these tools — data ownership, algorithmic bias, auditability — remains weakly institutionalised. Unless addressed, these “silent regulators” will determine whose work counts, whose emissions reductions are validated, and who is left outside the formal economy.

### 3. Background — two revolutions colliding

#### • The gig/re-platforming revolution

Platform-mediated work (ride-hailing, delivery, micro-tasking, freelance intermediation) creates highly flexible supply-side labour but often opaque employment relations, algorithmic management and decentralized subcontracting. Global policy responses over 2022-2025 reveal three paradigms: (a) statutory protection and presumption of “worker” status (EU floor via directive); (b) statutory carve-outs protecting platform flexibility (some US states, proprietary ballot measures); and (c) hybrid social-security registration and welfare schemes at sub-national levels (several Indian states).

#### • The green finance and green-industrial revolution

Capital markets have rapidly layered ESG and green instruments over traditional debt/equity. Regulators want clear taxonomies, disclosure, external verification and governance guardrails. In 2025, we see intensified regulatory action to curb greenwashing and national climate finance taxonomies to direct capital towards verifiable low-carbon transition projects.

Regulations are also being shaped by geopolitical dynamics. Trade sanctions, data localization laws, and supply chain due diligence norms are tying corporate governance to national security.

### 4. Regulatory Developments

Regulatory reforms in corporate governance are no longer confined to periodic amendments of compliance checklists; they are increasingly becoming anticipatory frameworks aimed at pre-empting risks that may not yet fully exist. This shift represents a transition from reactive regulation to proactive stewardship. Regulators across the world are embedding technology-driven oversight, deepening ESG disclosures, and strengthening the accountability of those who sit in boardrooms.

One of the most notable trends is the rise of regulatory convergence. Multinationals can no longer arbitrage governance gaps between jurisdictions, as regulators are moving toward a shared vocabulary of compliance. For example, the EU’s Corporate Sustainability Reporting Directive (CSRD) (phased in from 2024) has introduced granular disclosure on sustainability

performance across the value chain. In India, Business Responsibility and Sustainability Reporting (BRSR Core) became mandatory for the top 1,000 listed entities in FY 2023–24, bringing Indian companies into closer alignment with global ESG benchmarks. Meanwhile, the US SEC’s climate disclosure rules—expected to take effect in 2025—will push American companies to publish audited emissions data and climate-related financial risks. While each region moves at its own pace, the regulatory destination appears increasingly uniform.

Another major development is the personal liability of Directors and Key Managerial Personnel. India’s Companies Act, 2013 amendments and SEBI’s latest circulars have intensified the enforcement of fit-and-proper criteria for directors and clawback provisions on executive pay. In the US, the Department of Justice’s 2023 guidance emphasizes individual accountability in corporate criminal cases, reinforcing that corporate failures will no longer be shielded by collective responsibility. The UK’s Senior Managers and Certification Regime (SMCR) already places directors under personal scrutiny, a model that other jurisdictions are observing closely.

Technology and geopolitics are also reshaping governance obligations. Cybersecurity mandates are emerging as a new pillar of corporate accountability. In India, SEBI’s 2024 cybersecurity framework requires Market Infrastructure Institutions (MIIs) and listed companies to adopt advanced risk-mitigation controls, while in the US, the SEC has mandated companies to disclose material cybersecurity incidents within four business days. Similarly, the EU’s Digital Operational Resilience Act (DORA), effective from 2025, places operational resilience at par with financial reporting. The regulatory lens has shifted and failure to manage cyber threats is now seen as a governance failure.

Crucially, regulations are also being shaped by geopolitical dynamics. Trade sanctions, data localization laws, and supply chain due diligence norms are tying corporate governance to national security. The EU’s Corporate Sustainability Due Diligence Directive (CSDDD) (adopted 2024) requires large companies to identify, prevent, and mitigate human rights and environmental abuses in their global supply chains. In parallel, India’s Digital Personal Data Protection Act (2023) has redefined how corporations collect, store, and process personal data, linking governance with sovereignty in the digital era.

What emerges is a new regulatory philosophy: compliance is no longer just about avoiding penalties; it is about earning trust. Companies that align early and



deeply with these developments are turning regulation into a competitive differentiator, while laggards risk reputational and operational obsolescence. Governance capital, in this sense, is becoming as valuable as financial capital.

## 5. Comparative anatomy — labour classification, licensing & registration

Global divergence in platform labour regulation is no longer an academic curiosity — it is now a boardroom risk driver for multinational firms and a measurable cost factor in cross-border compliance. In 2025, regulatory approaches to gig work and platform-mediated labour display striking contrasts, with each model carrying distinct implications for governance systems and capital allocation.

The European Union has opted for a directive-driven protective floor through its Platform Work Directive, which leans heavily towards recognising platform workers as “workers” and imposes extensive obligations on platforms, including algorithmic transparency, impact assessments, and accessible channels for collective representation. As of mid-2025, several member states — including Spain, France, and the Netherlands — have already transposed key provisions, affecting an estimated 28 million platform workers EU-wide. This is creating a harmonised but stringent compliance environment, with the potential to reshape labour cost structures and reporting cycles across the bloc.

India, in contrast, has adopted a hybrid structure. State-level laws such as Rajasthan’s Platform Based Gig Workers (Registration & Welfare) Act, along with similar bills in Telangana, Karnataka, and Jharkhand, prioritise mandatory registration, welfare funds, and social security portability rather than immediate reclassification. Rajasthan’s registry alone has enrolled over 300,000 workers since its inception in 2023, offering early evidence of scalability without triggering mass contractual renegotiations. At the central level, the Code on Social Security provides enabling provisions for gig worker protection, but classification debates remain unresolved — allowing states to experiment with welfare-based models that preserve platform flexibility while introducing statutory safety nets.

The United States remains the most fragmented jurisdiction, where state ballot measures, court decisions, and proprietary agreements produce a patchwork of rules. California’s Proposition 22, upheld by the state Supreme Court in 2024, preserved contractor status under certain benefit conditions, while states such as New York and Massachusetts continue to press for broader worker protections. For multinational businesses, this regulatory heterogeneity demands bespoke operational policies for each state, increasing compliance complexity and administrative cost.

For Company Secretaries, these divergences transform licensing and compliance into a multi-tiered exercise: maintaining worker registries and welfare contributions in Indian states, meeting classification and algorithmic audit obligations in the EU, and crafting state-specific contractual frameworks in the US. The strategic imperative is to reconcile these models into a coherent governance system that minimises legal exposure, maintains operational flexibility, and defaults to the highest jurisdictional standard to reduce fragmentation risk.

## 6. Green industry licensing & credibility — what changed in 2025

By mid-2025, green industry licensing and credibility standards have entered a phase of accelerated consolidation. National taxonomies — such as India’s Draft Climate Finance Taxonomy and the EU Taxonomy — now serve as gateways for determining eligibility of projects as “transition” or “green,” with direct consequences for concessional capital and investor interest.

### • The Technological Axis of Governance: AI, Data, and Algorithms

An underappreciated layer of this convergence is technological. Platforms deploy AI-driven scheduling, pricing, and performance management, while green capital markets increasingly rely on satellite imagery, blockchain registries, and machine learning to verify climate outcomes.

This reliance on automated systems introduces common risks: algorithmic opacity, surveillance creep, and widening power asymmetries between data-rich platforms/financiers and data-poor workers or investors. Governance professionals must now embed algorithmic transparency, explainability, and independent review into governance systems.

Company Secretaries, in particular, must ensure that AI audits and algorithmic impact assessments are not seen as European obligations alone but as part of a global best-practice toolkit. As green finance and gig platforms increasingly intertwine with digital technologies, algorithmic governance will be as central as financial governance.

## 7. Compliance architecture for the convergent firm (practical blueprint)

- **Governance & board oversight**
- Establish a combined Compliance & Transition Committee that reports to the board, with sub-mandates for Platform Labour Risk and Climate-Finance Risk. The Company Secretary should own statutory filings, register filings and minute-level compliance reporting on these risks.

- **Licensing and registration checklist (operational)**
- ♦ **Platform operations:** Local business licensing, intermediary registration (where required), consumer safety licences, vehicle/driver permits.
- ♦ **Labour compliance:** Maintain a verified Platform Worker Registry (name, ID, PAN/Aadhaar equivalent, earnings), welfare contributions, grievance mechanisms and algorithmic transparency disclosures where relevant. (Indian state acts emphasise centralized registration)
- ♦ **Environmental finance:** Pre-issuance eligibility mapping to taxonomy criteria, third-party assurance (limited assurance or reasonable assurance per GBP/SEBI), post-issuance impact reporting, and a climate transition plan aligned to national taxonomy.
- **Data & algorithmic governance**
- ♦ Maintain algorithmic impact assessments and worker-facing transparency notices (EU PWD obligations are a leading template). Company Secretaries must ensure board-level sign-off on automated decision systems affecting remuneration or de-activation.
- **Contracts & procurement**
- ♦ Redesign platform-gig contracts to include dispute resolution, minimum guaranteed protections where mandated, opt-in clauses for welfare funds, and indemnities for misclassification exposures.
- **Financial structuring & green credibility**
- ♦ For green debt issuance, build contracts to ring-fence use-of-proceeds, integrate verification timelines, and monitor “impact leakage” risks (i.e., projects claiming green credentials without demonstrable emissions reductions). SEBI’s 2025 ESG Debt framework requires stricter disclosure.

## 8. Risk assessment: quantifying contingent liabilities

For Company Secretaries preparing board memos, convert qualitative exposures into quantified scenarios:

- **Labour-classification risk:** Estimate back wages, statutory benefits and penalties for worst, mid and best case with jurisdictional multipliers. EU transpositions that deem platform workers as “workers” increase liability in Europe; in India, the near-term fiscal exposure is migration to welfare funds and reputational costs.
- **Green-credibility risk:** Use scenario analysis to estimate stranded asset risk and cost of capital uplift if green labelling is withdrawn or disputed under taxonomy/legal challenge. SEBI’s 2025 tightening increases monitoring costs and potential investor litigation.

## • Cross-Border Capital Flows & Emerging Market Dilemmas

Capital is fluid, but taxonomies are territorial. The EU Taxonomy, India’s Draft Climate Finance Taxonomy, and evolving US disclosure norms, all operate as gatekeepers to investment flows. For emerging economies, strict alignment with EU definitions could exclude locally relevant transitional projects, while divergence could deter investors seeking harmonised benchmarks.

This dilemma is acute in India, Brazil, and South Africa, where green industrialisation is both a climate necessity and a development imperative. What is missing is a South-South coalition that negotiates interoperability while retaining developmental space.

For Company Secretaries and boards of firms in emerging markets, this makes taxonomy navigation a strategic competence — not simply to comply with rules but to position projects for international capital flows without surrendering policy autonomy.

## 9. Recommendations for Company Secretaries, Boards and Policy Makers

### • For Company Secretaries & Boards:

1. Create a dual-track risk register that treats platform for Labour Risk and Climate-Credibility Risk as separate but interacting risk categories and present quantified scenarios quarterly.
2. **Adopt a “Regulatory High Watermark” approach for cross-border operations:** Implement the most stringent jurisdictional standard across operations for key compliance components (e.g., algorithmic transparency, worker registries, taxonomy mapping). This reduces legal fragmentation risk.
3. **Pre-emptive contractual design:** Include clauses that enable rapid compliance with local registration and welfare funds, and contractually commit to third-party verification rights for green claims.
4. **Data governance maturity:** Develop algorithmic impact assessments (AIA), maintain auditable logs and enable worker appeal channels — prepare for EU-style disclosures.

### • For Policy Makers

1. Harmonise registries across states/jurisdictions (where feasible) so worker portability and taxation simplicity are possible. A national registry model can reduce compliance cost and increase social security coverage (India’s state experiments) can be scaled.
2. Invest in verification capacity for green finance (national accreditation bodies, market oversight) to ensure that taxonomies lead to investor confidence and not box-ticking.

The regulatory trajectory makes two truths inescapable: first, the global shift is towards transparency and verification as the cornerstones of both labour and environmental governance; second, the implementation landscape remains uneven, shaped by jurisdictional politics, market maturity, and institutional capacity. For Company Secretaries, the mandate has evolved beyond legal compliance into the design and stewardship of integrated governance systems — architectures that are technical in their data and algorithm oversight, precise in contractual design, and rigorous in financial structuring and assurance mechanisms. For economists, the interplay of gig labour regulation and green finance credibility offers a living case study in how policy choices reshape market efficiency, labour allocation, and capital flows.

The convergence of platform ubiquity and climate urgency demands more than reactive adaptation. It requires governance foresight. Firms that treat compliance not as an obligation but as a competitive capability will be best positioned to navigate shifting legal baselines, pre-empt reputational risks, and access the most trusted pools of capital. In the age where governance is the product and credibility is the currency, the leaders will be those who can reconcile the demands of work and planet without compromising on either.

## CONCLUSION

The 2030 Outlook of Gig-Green Governance: Looking beyond 2025, three plausible trajectories emerge for the convergence of gig labour and green capital as under:

- **The Harmonization Path:** Global standards converge, registries become interoperable, and green capital flows inclusively.
- **The Fragmentation Path:** Jurisdictions double down on localized definitions, escalating costs and compliance complexity.
- **The Platform Sovereignty Path:** Private platforms and financiers create quasi-legal ecosystems of verification and governance, outpacing state regulation.

The governance horizon will be shaped by the choices Regulators, Boards, and Company Secretaries make in the next five years. Treating compliance as strategic foresight rather than reactive obligation will determine whether firms thrive in the trusted capital pools of 2030.

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# Forest (Conservation) Act, 1980 and Wildlife (Protection) Act, 1972: A Governance Perspective

The Forest (Conservation) Act, 1980 and the Wildlife (Protection) Act, 1972 are cornerstones of India's environmental governance, ensuring sustainable use of forests and protection of biodiversity. In today's climate-conscious world, their relevance extends beyond legal compliance into the domain of sustainability, responsible governance, and global ESG expectations. With SEBI's BRSR framework, India's net-zero commitments, and rising investor scrutiny, these Acts now shape boardroom decisions and corporate accountability. Company Secretaries play a vital role in this transition—guiding Boards, embedding sustainability into strategy, and ensuring that economic growth coexists with ecological integrity.



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## INTRODUCTION

**F**orests and wildlife have always been the lifeblood of civilizations. They are not just resources that can be consumed but trustees of our future, carrying within them the promise of clean air, water, bio-diversity and climate resilience. India, with its rich environmental heritage, has over the years adopted a comprehensive legislative framework to ensure that the country's pursuit of development does not come at the cost of ecological devastation. Among the earliest and most significant legislations in this regard are the **Forest (Conservation) Act, 1980** and the **Wildlife (Protection) Act, 1972**. These two enactments have provided a legal backbone to India's environmental governance and remain central even today, as the world grapples with challenges of deforestation, habitat loss, and climate change.

At the same time, the rise of **ESG—Environmental, Social and Governance—frameworks** has brought corporate responsibility into sharper focus. Companies are no longer evaluated only on financial performance but also on their environmental footprints, their contribution to social well-being and the integrity of their governance structures. It is in this evolving ecosystem that the role of

the **Company Secretary (CS)** assumes great significance. Traditionally seen as a compliance officer and custodian of legal processes, the CS is now emerging as a governance professional with an expanded mandate, one that includes steering companies through complex terrains of sustainability reporting, social audits and environmental compliance.

## THE LEGISLATIVE BACKGROUND

The Forest (Conservation) Act, 1980 was enacted in response to the rampant diversion of forest lands for agriculture, industry and infrastructure during the 1970s. The law sought to impose a centralised check by requiring prior approval of the Union Government before any forest land could be de-reserved or diverted for non-forest purposes. Over the years, through amendments and judicial interpretations—most notably in the landmark *T.N. Godavarman Thirumulpad* case—the Act has been read in an expansive manner, covering not only notified forests but also those that meet the dictionary definition of forests. This broadened the scope of protection and placed a higher onus on corporations and state authorities to ensure compliance.

The Wildlife (Protection) Act, 1972, enacted even earlier, laid the foundation for systematic wildlife protection in India. It created a legal architecture for the establishment of national parks, wildlife sanctuaries, and conservation reserves, while prohibiting hunting and regulating trade in wild animals and their derivatives. Its importance has only grown with time, especially as India became a signatory to global conventions such as CITES, requiring it to regulate trade in endangered species. Recent amendments have enhanced penalties, strengthened enforcement and aligned domestic law more closely with international obligations.

## BEYOND LEGAL MANDATES: A CHANGING SHIFT IN CORPORATE RESPONSIBILITY

While the Forest (Conservation) Act, 1980 and the Wildlife (Protection) Act, 1972 were initially regarded

by industries as regulatory hurdles that delayed projects and imposed costs, their relevance today transcends the narrow boundaries of environmental law. In the present corporate and investment climate, these statutes are deeply interlinked with the global movement towards **Environmental, Social and Governance (ESG)** responsibility.

The “E” in ESG does not merely signify a company’s environmental compliance; it represents the organisation’s entire relationship with nature—its carbon footprint, its biodiversity management, its use of natural resources, and its impact on forests and wildlife. The “S” emphasises the treatment of communities, workers and indigenous people, especially those living in and around forests whose lives are disrupted by industrial projects. The “G” underscores governance mechanisms that ensure accountability, transparency and ethical decision-making, preventing environmental degradation from being sacrificed at the altar of profit. Thus, ESG is not a tick-box activity but a holistic framework that reshapes how businesses are perceived by regulators, investors and society at large.

Globally, this transformation is visible across jurisdictions. In the **European Union**, the **Corporate Sustainability Reporting Directive (CSRD)** has made it mandatory for large companies to disclose detailed information on environmental risks, biodiversity impact and resource usage. The **United States Securities and Exchange Commission (SEC)** has proposed climate disclosure rules requiring companies to report their greenhouse gas emissions and climate-related financial risks. **Canada** and the **United Kingdom** have also tightened sustainability disclosure frameworks, with biodiversity conservation being a core element. Multinational corporations are therefore compelled to look at forests, wetlands, wildlife corridors and ecological zones not as distant environmental issues but as central to business continuity and investor trust.

This global trend resonates in India as well. SEBI’s **Business Responsibility and Sustainability Reporting (BRSR)** framework already requires the top listed companies to disclose their sustainability performance, including impacts on biodiversity, land and ecosystems. For corporations dealing with mining, infrastructure, or exports involving natural resources, compliance with the Forest (Conservation) Act, 1980 and the Wildlife (Protection) Act, 1972 becomes a vital component of ESG disclosures. Any failure—such as diversion of forest land without approval under Forest (Conservation) Act, 1980 or violation of wildlife trade rules under Wildlife (Protection) Act, 1972—can not only lead to legal penalties but also severely damage ESG ratings, erode investor confidence and trigger exclusion from global supply chains.

A mining company operating near forest areas, for instance, may technically obtain environmental clearance but still face ESG scrutiny if compensatory afforestation is not effectively carried out. Similarly, exporters of leather, exotic plants or herbal medicines must ensure strict adherence to Wildlife (Protection) Act, 1972 and CITES

provisions, for even minor non-compliance can result in blacklisting in international markets. This shift illustrates that environmental law is no longer peripheral—it has entered the heart of **boardroom governance**.

Therefore, the transition from mere compliance with the Forest (Conservation) Act, 1980 and the Wildlife (Protection) Act, 1972 to a broader ESG-driven governance model signifies a profound shift in corporate responsibility. What was once seen as regulatory paperwork has now become central to maintaining investor trust, attracting green financing, and safeguarding reputation in a climate-conscious global economy. Environmental responsibility has, in fact, become a defining measure of good governance, and the CS stands at the intersection of law, business and sustainability, tasked with ensuring that corporations not only obey the law but also align with global expectations of ethical, sustainable conduct.

## ROLE OF ESG IN STRENGTHENING FOREST AND WILDLIFE CONSERVATION

Environmental, Social, and Governance (ESG) frameworks have emerged as a transformative paradigm in global business and policy. They act as a bridge between statutory compliance and sustainable value creation by aligning corporate strategies, investor priorities, and societal expectations with ecological and social well-being. In the Indian context, the objectives of the Forest (Conservation) Act, 1980 and the Wildlife (Protection) Act, 1972 find strong reinforcement through ESG principles. While these Acts provide the legal foundation, ESG ensures that businesses and investors internalise conservation mandates and translate them into measurable outcomes.

- (a) **ESG and the Environmental Pillar:** The “E” in ESG has the closest resonance with the Forest (Conservation) Act, 1980 and Wildlife (Protection) Act, 1972. Companies operating in sectors such as mining, infrastructure, tourism, and energy often find themselves in ecologically sensitive zones. Here, ESG principles demand that compliance must go beyond minimum legal requirements:
  - i. Rigorous Environmental Impact Assessments (EIA) are integrated with biodiversity offsets, habitat restoration initiatives, and carbon neutrality commitments.
  - ii. ESG also embeds carbon accounting into operations. Notably, the Forest (Conservation) Act, 1980 (Amendment) 2023 envisions the creation of a 2.5–3 billion tonne CO<sub>2</sub> sink by 2030, and global standards such as the GRI (Global Reporting Initiative) and TCFD (Task Force on Climate-related Financial Disclosures) help ensure transparency and credibility in such reporting.
  - iii. A decisive move toward nature-positive operations—whether through renewable energy adoption, green infrastructure, or wildlife-friendly supply chains—illustrates how ESG converts compliance into ecological leadership.

(b) **ESG and the Social Pillar:** The “S” in ESG highlights the role of human dignity, inclusivity, and community participation in conservation. Forests and wildlife habitats are not just ecological zones—they are also home to indigenous and forest-dwelling communities. ESG-sensitive enterprises increasingly:

- i. Seek Free, Prior, and Informed Consent (FPIC) from local communities before pursuing projects that require forest land diversion under the Forest (Conservation) Act, 1980.
- ii. Integrate livelihood generation into conservation, for instance by supporting eco-tourism or community-managed conservation reserves under the Wildlife (Protection) Act, 1972 provisions.
- iii. Invest in mitigating human-wildlife conflicts, rehabilitating displaced families, and enabling skill-building for sustainable alternatives to practices like poaching or unsustainable resource use.

(c) **ESG and the Governance Pillar:**

Governance forms the backbone of ESG and is indispensable for accountability in forest and wildlife protection. The Forest (Conservation) Act, 1980 and the Wildlife (Protection) Act, 1972 compliance cannot remain perfunctory—it must be reinforced by governance standards that investors and regulators trust. ESG ensures this by:

- i. Integrating statutory compliance with transparent disclosures, so that companies report not only financial outcomes but also afforestation results, biodiversity preservation, and wildlife protection metrics.
- ii. Establishing strong internal risk management frameworks, since violations of the Forest (Conservation) Act, 1980 and the Wildlife (Protection) Act, 1972 expose businesses to financial penalties, reputational damage, and investor distrust.
- iii. Promoting collaborative governance, where corporates, regulators, NGOs, and communities come together to design and monitor conservation initiatives.

(d) **Future ESG-Conservation Synergy:** India's sustainability roadmap—including the net-zero 2070 commitment and the 2030 carbon sink target cannot be achieved without ESG-led financing and implementation. In the years ahead, ESG will:

- i. channel global green capital into afforestation drives, wildlife corridors, and biodiversity-positive infrastructure;
- ii. enhance India's sovereign ESG ratings as adherence to the Forest (Conservation) Act, 1980 and the Wildlife (Protection) Act, 1972 signals responsible resource management to international investors; and
- iii. place CSs and governance professionals at the heart of this transition, as they ensure that ESG reporting, and compliance frameworks are not just legal obligations but instruments of long-term value creation.

## THE ROLE OF COMPANY SECRETARIES IN ENVIRONMENTAL GOVERNANCE

As the governance professional within an organisation, CS has the vantage point to integrate environmental considerations into decision-making at the highest level. When a company contemplates expansion into forest areas, diversion of land, or projects that might affect eco-

sensitive zones, it is often the CS who is expected to alert the Board to the regulatory approvals required under the Forest (Conservation) Act, 1980. Likewise, before any contract involving wildlife products is entered into, it falls on the CS to ensure that the company is not in violation of Wildlife (Protection) Act, 1972 provisions.

Beyond legal compliance, CSs are increasingly being called upon to assist in **sustainability reporting** under SEBI's Business Responsibility and Sustainability Report (BRSR) framework. These reports require

disclosure on biodiversity, climate risks, carbon footprint, and social impacts—all areas closely tied to forest and wildlife legislation. A CS who can guide the Board on how to disclose, how to mitigate risks, and how to align with national and global commitments adds immense value.

The CS also plays a critical role in **social audits**, particularly for projects with environmental footprints. Whether it is compensatory afforestation under the Forest (Conservation) Act, 1980, or rehabilitation of communities displaced due to wildlife reserves, social audits help measure whether the commitments made by corporations have been honoured in spirit. By bringing transparency and accountability, CSs can help bridge the trust deficit between corporations, communities and regulators.

The CS, as a key managerial personnel under the Companies Act, 2013, plays a critical role in ensuring that organisations meet their legal and ethical obligations. In the context of environmental protection, the CS serves as a compliance officer, strategist, and governance facilitator—linking corporate operations with laws such as the **Forest**

India's environmental jurisprudence has evolved from a model of permission and policing to one that expects stewardship and strategy. The Forest (Conservation) Act, 1980 and the Wildlife (Protection) Act, 1972 were conceived to halt deforestation, protect habitats, and conserve species.



(Conservation) Act, 1980, and the Wildlife (Protection) Act, 1972, and broader ESG (Environmental, Social, and Governance) standards, the same are as follows:

**a) Legal Compliance under the Forest (Conservation) Act, 1980 and the Wildlife (Protection) Act, 1972**

- i. Clearances and Approvals: A CS ensures that companies seeking to establish infrastructure, mining, or industrial projects near forest or wildlife areas obtain prior approvals from the Ministry of Environment, Forest and Climate Change (MoEFCC) as required under Forest (Conservation) Act, 1980.
- ii. Monitoring Operations: Regular compliance audits are conducted to ensure no violation of the Wildlife (Protection) Act, 1972 provisions, such as disturbing habitats or engaging in illegal trade of wildlife and their derivatives.
- iii. Documentation and Filing: CSs oversee timely submission of environmental reports, compensatory afforestation records, and sustainability disclosures to regulatory authorities.

**b) Integration of ESG Frameworks**

- i. Policy Development: The CS assists in drafting and implementing ESG policies aligned with conservation mandates, including biodiversity protection and carbon reduction strategies.
- ii. Board-Level Guidance: They facilitate Board discussions on sustainability, ensuring conservation laws are factored into corporate risk assessments and strategic planning.
- iii. BRSR Reporting: As per SEBI requirements, CS professionals prepare and verify Business Responsibility and Sustainability Reports (BRSR), capturing efforts toward forest and wildlife protection.

**c) Ethical Governance and Stakeholder Engagement**

- i. Corporate Social Responsibility (CSR): CSs guide CSR initiatives toward reforestation, wildlife conservation, and community-based eco-projects, ensuring alignment with Forest (Conservation) Act, 1980 and the Wildlife (Protection) Act, 1972.
- ii. Stakeholder Communication: They maintain transparency by disclosing conservation-related compliance and ESG performance to shareholders, regulators, and the public.
- iii. Risk Mitigation: CS professionals ensure businesses avoid reputational, legal, and financial risks by strictly adhering to environmental laws and ethical practices.

## ESG, GREEN FINANCING AND GLOBAL ALIGNMENT

As global capital shifts towards sustainable financing, Indian companies are under increasing scrutiny to demonstrate compliance with environmental laws. Green bonds, sustainability-linked loans, and ESG-oriented funds require detailed due diligence on the company's environmental performance. Any red flag under Forest (Conservation) Act, 1980 or Wildlife (Protection) Act, 1972 can derail such financing efforts. Moreover, with India's commitment to the Paris Agreement and the Convention on Biological Diversity, corporations are expected to go beyond minimum compliance and adopt proactive conservation measures.

Here again, the CS acts as a bridge between corporate management and investors, assuring the latter of the company's commitment to lawful and sustainable practices. By embedding ESG principles into governance documents, drafting biodiversity policies, and ensuring truthful disclosures, the CS can help attract sustainable capital while reducing greenwashing risks.

## SOCIAL AUDITS AND STAKEHOLDER CONFIDENCE

One of the most powerful tools in this space is the **social audit**, which goes beyond financial metrics to assess the real impact of corporate activities on people and environment. For instance, when forest land is diverted for industry, the law requires compensatory afforestation. But has the plantation actually been done? Are local communities benefitting from it? Similarly, when wildlife corridors are disrupted by infrastructure, have mitigation measures been put in place? These are questions a social audit can answer.

The CSs, with their emphasis on governance and transparency, is well placed to institutionalise such audits. By involving local communities, NGOs, and independent experts, the CS can ensure that environmental compliance is not a mere tick-box exercise but a genuine contribution towards sustainability. In turn, this strengthens stakeholder confidence, enhances reputation and aligns the company with SDGs such as Climate Action (SDG 13) and Life on Land (SDG 15).

## COMPARATIVE ANALYSIS OF ENVIRONMENTAL CONDITIONS IN RURAL, URBAN, AND METRO AREAS

India's environmental landscape exhibits stark contrasts across **rural**, **urban**, and **metropolitan** areas. Factors such as population density, industrial activity, lifestyle patterns, infrastructure, and governance frameworks influence air quality, water availability, waste management, biodiversity, and ecological health in these regions.

**a) Environmental Conditions in Rural Areas**

- i. Biodiversity and Green Cover: Rural areas often retain higher levels of natural vegetation and biodiversity due to lower industrialization. Forests, wetlands, and farmlands contribute to carbon sequestration and ecological balance.
- ii. Air and Water Quality: Generally better than urban zones, though localized pollution may arise from biomass burning, use of chemical fertilizers, or small-scale industries.
- iii. Challenges:
  - Deforestation for agriculture or fuelwood.
  - Inadequate waste management infrastructure.
  - Lack of environmental awareness and regulatory enforcement.

**b) Environmental Conditions in Urban Areas**

- i. Air Quality: Moderate to poor, largely due to vehicular emissions, construction dust, and small-scale industries.
- ii. Water Resources: Often under stress due to over-extraction of groundwater, industrial discharge, and limited sewage treatment capacity.
- iii. Waste Management: Municipal waste management systems exist but face operational challenges, leading to open dumping and pollution of water bodies.
- iv. Biodiversity: Green spaces exist but are shrinking, impacting urban flora and fauna.

**c) Environmental Conditions in Metropolitan Areas**

- i. Air Quality: Metro cities like Delhi, Mumbai, Bengaluru, and Kolkata face severe air pollution due to heavy vehicular traffic, high population density, and industrial activities. Air Quality Index (AQI) often exceeds safe limits, especially during winters.
- ii. Water Availability and Quality: Severe pressure on water resources due to high consumption and contamination from industrial effluents and untreated sewage.
- iii. Waste Generation: Massive solid and electronic waste generation, requiring advanced treatment technologies like waste-to-energy plants and large-scale recycling facilities.
- iv. Biodiversity Loss: Rapid urbanization has led to loss of wetlands, mangroves, and natural habitats, intensifying human-wildlife conflicts.

**CONCLUSION**

India's environmental jurisprudence has evolved from a model of permission and policing to one that expects stewardship and strategy. The Forest (Conservation) Act, 1980 and the Wildlife (Protection) Act, 1972 were conceived to halt deforestation, protect habitats, and conserve species. In today's economy, they also signal how leadership understands risk, reputation, and responsibility. When boards treat forest and wildlife compliance as a strategic question embedded in capital allocation, supply-chain decisions, and disclosures then law becomes the architecture of long-term value rather than a speed-breaker.

CSs sit at the fulcrum of this change. As key managerial personnel, they convert legal mandates into boardroom practice: mapping the Forest (Conservation) Act, 1980/ the Wildlife (Protection) Act, 1972 touchpoints early in project design; building credible sustainability narratives through BRSR; assuring that community consent, compensatory afforestation, and mitigation plans are real, measurable, and auditable; and cautioning management when shortcuts trade away future licence to operate. Social audits, ethical sourcing, and transparent reporting are not parallel exercises; they are how a company earns trust with regulators, investors, and communities living closest to forests and wildlife corridors.

The path ahead is clear. Businesses that align strategy with the spirit of the Forest (Conservation) Act, 1980 and the Wildlife (Protection) Act, 1972, disclose honestly, invite scrutiny, and invest in restoration will not only comply more cleanly; they will compound trust over time. In doing so, they help move India from a compliance culture to a stewardship culture, where development and biodiversity are held in balance and the next generation inherits more than we took. That, finally, is the true test of good governance: not choosing between ecology and economy but designing for both—and delivering.

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# Labour Laws and the Role of Company Secretary

Compliance with labour laws is crucial for fostering a fair and ethical workplace. It ensures worker rights, safe working conditions, and fair compensation, ultimately benefiting both employees and employers. Compliance is vital for building a positive work environment, avoiding legal issues, and improving stakeholders' confidence for better corporate governance.



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## INTRODUCTION

The Constitution of India is the cornerstone of individual rights and liberties and provides the basic framework within which all laws in India including laws relating to labour and employment operates. In a society where humanity has always been prioritised, it is very essential to provide the labourers or the working people with the rights that have been established. Labour laws often known as “Employment Laws” acts as a crucial aspect of protecting the employees and thereby ensuring a fair and equitable work environment, promote harmonious industrial relations, contribute to economic stability and social welfare by preventing exploitation, promoting decent work, and minimising industrial disputes. The labour laws have a uniform purpose to protect the rights of employees and set the employers’ obligations and responsibilities, and have always been an integral part of the socio-economic development of a country. A strong legal framework for labour laws and relations promotes and improves productivity and which automatically attracts investments for businesses. In India, labour laws are broadly based on the:

- (i) Principle of Social Justice
- (ii) Principle of Social Security
- (iii) Principle of Social Equity
- (iv) Principle of the National Economy

## LICENSING REGISTRATION AND REGULATION OF LABOUR LAWS

Licensing, registration and regulation of labour laws are crucial for ensuring fair labour practices, promoting workplace safety and fostering a productive economy. These

measures help establish a legal framework that protects employees rights, prevents exploitation and contributes to harmonious industrial relations.

### In short, the licensing registration and regulation of Labour Laws involves:

- Identifying the labour laws applicable to the organisation based on the nature of the activity carried on so as to understand the requirement, records maintenance, compliance, returns to be furnished, their periodicity, any specific inspection and sample testing requirements, and other related matters.
- Running the checks as to what is required to be complied with respect of each of the applicable labour laws routine and event-based, to ensure that the compliance relating to all the applicable labour laws within the organisation is complied with.
- Informing all the relevant stakeholders on the compliance of the applicable labour laws.

## KEY LABOUR LAWS AND ITS COMPLIANCE

The key labour laws and its compliance, in the day-to-day functioning of an organisation, which deserves attention of the Company Secretary from the perspective of licensing, registration and regulation are as follows:

### 1. The Factories Act, 1948

The Factories Act, 1948 is enacted by Central Government and enforced by the State Governments’ where the factories are located.

The Factories Act, 1948 is applicable to all factories using power and employing 10 or more employees, and if not using power, employing 20 or more employees on any day of the preceding 12 months and is carrying on the manufacturing process or operations within the definition of ‘Factory’ and is not engaged in commercial activity or business.

The Factories Act, 1948 is a comprehensive piece of legislation aimed at regulating labour in factories, thereby ensuring the health, safety, welfare of workers, and promoting efficiency. The Factories Act, 1948, covers various aspects, including factory registration, health and safety standards, working hours, and employment of children and young persons. The Factories Act, 1948, prohibits the employment of children below 14 years. Adolescents who are between 14 to 18 years are prohibited from the scheduled hazardous occupations and processes.



## 2. The Shops and Establishment Act

The Shops and Establishment Act is a state legislation enacted and enforced by the various State Governments' where a commercial establishment is located.

It is applicable to all the commercial establishments or businesses such as business centres, offices, warehouses, stores, hotels, eateries, amusement parks, theatres, etc. The Shops and Establishment Act is designated to protect the rights of employees by defining uniform benefits to the employees and regulates the payment of wages, terms of service, holidays, leaves, work conditions, hours of work, overtime work, maternity leave and benefits, and rules for employment of children and women.

### For better understanding:

- **“Shop”** means any premises where goods are sold, either by retail, wholesale, or services are rendered to customers. It includes an office, a store-room, godown, warehouse, or workplace, whether on the same premises or otherwise, used in connection with such trade/business. A shop however does not include a factory or a commercial establishment.
- **“Commercial Establishment”** means a premise where any trade, business, profession or any work is undertaken, which may include society, charitable or another trust, journalistic and printing establishments, contractors and auditors' establishments, educational institutes, premises where the business of banking, insurance stocks, and shares, the brokerage is undertaken, restaurants and eating houses, residential hotels, clubs, theatres and other places of public amusement or entertainment.

Under the Companies Act, 2013, the Board of Directors have to state in their Director Responsibility Statement to the effect that the organisation had devised proper process, systems and procedures in ensuring the compliance with the provisions of all applicable laws and such systems were compiled with and are adequate and operating effectively.

## 3. The Industrial Disputes Act, 1947

The Industrial Disputes Act, 1947 is enacted by Central Government and are enforced both by Central and State Governments'.

The Industrial Disputes Act, 1947, is a key piece of Indian legislation focused on resolving industrial disputes and maintaining industrial peace. It provides a framework for investigating and settling disputes between employers and employees through mechanisms like conciliation, arbitration, and adjudication. The Industrial Disputes Act, 1947 also outlines procedures for layoffs, retrenchment, and closure of industrial establishments, along with provisions for worker rights and employer obligations.

The Industrial Disputes Act, 1947 applies to every industrial establishment and to every person employed in an establishment either for hire or reward including contract labour, apprentices and the part-time employees to do any manual, clerical, skilled, unskilled, technical, operational or supervisory work. It does not apply to persons employed in managerial or administrative capacity, persons engaged in a supervisory capacity and drawing more than the prescribed limit and persons subject to the Army Act, Air Force and Navy Act or those in police service or officer or employee of a prison.

## 4. The Employees Provident Funds and Miscellaneous Provisions Act, 1952

The Employees Provident Fund and Miscellaneous Provisions Act, 1952 (EPF Act), is enacted by the Central Government where the Central Government has the sole responsibility for enforcement and is managed by the Employees' Provident Fund Organization. The EPF Act is applicable to both Indian workers and International workers.

The EPF Act, is a social welfare legislation in the form of the institution of provident funds, pension funds and deposit linked insurance fund. It aims to provide financial security to employees in the organised sector upon retirement, resignation, or death. The EPF is a joint contribution by both the employer and the employee with the employee and employer contribution each at 12% of the basic salary and dearness allowance.

### EPF regulations for Indian workers:

Out of total contribution of 24% of the basic salary and dearness allowance, the employer contribution of 8.33% of the basic salary and dearness allowance goes

to the Employees' Pension Scheme (EPS) and the rest to the EPF. The employees who are earning less than Rs. 15,000/- per month are mandatorily covered and those earning more than Rs.15,000/- per month can opt-in with mutual consent but only if they have never been a EPF member before and their salary exceeds Rs. 15,000/- per month at the time of joining. The accumulated amount in the EPF, along with interest, can be withdrawn upon retirement, resignation, or death, and partially for specific purposes like illness, education, or marriage. The contributions and interest earned on the EPF balance are tax-exempt subject to the limit as prescribed, making it a popular tax-saving instrument.

**EPF regulations for International Workers:** The EPF Act is applicable to international workers. An international worker is any employee who is a foreign national working in India under an employer registered with the EPFO or an Indian employee who is working in a foreign country with which India

has a Social Security Agreement (SSA). By means of SSA, the Indian employees who are deputed abroad are exempted from contributing towards the Social Security Scheme of that foreign country, if the Indian employees obtain certificate of coverage from EPFO and for foreign national employed in India obtain the detachment certificate issued by the Social Security Office of their country of origin. Every eligible international worker who does not qualify as an excluded employee must become a member of the EPF from the first day of employment in India and contribute 12% of their full salary to the Indian EPF scheme, with the employer making equal contribution. There is no minimum stay requirement in India and the EPF regulations apply regardless of where the salary is paid whether in India or outside India, split payroll etc. or if the international worker has multi-country responsibilities.

**Employee Pension Scheme (EPS):** EPS makes provisions for employees working in the organized sector to ensure financial stability for employees during retirement, disability, or for their families in the event of death by way of a pension after their retirement at the age of 58 years deferable to 60 years, if the employee has provided a service for at least 10 years. Existing as well as new EPF members can join the EPS scheme and the 8.33% of the employer's contribution goes towards the EPS.

**Employee Deposit Linked Insurance (EDLI):** The EDLI scheme is a life insurance cover provided to private sector employees who are members of the EPF. It offers a lump sum payment to the registered nominee in case of the employee's death during service. The scheme provides a lump sum payment to the registered nominee upon the insured employee's death depending on the employee's last drawn salary, with a maximum benefit of up to Rs. 7 lakhs. The employer can also opt for a group life insurance scheme on the life of its employees which should be equal to or more than that provided by the EDLI scheme for an opt-out of the EDLI scheme. The scheme is automatically applied to eligible EPF members, without requiring any separate enrolment.

## 5. Employees' State Insurance (ESI) Act, 1948

The Employees State Insurance (ESI) Act, 1948 is enacted by the Central Government where the Central Government has the sole responsibility for enforcement.

The ESI administered by the Employee's State Insurance Corporation, is a social welfare legislation with the object of providing financial and medical benefits to employees and their families in the event of sickness, maternity, disability, or death due to employment injury. The ESI Act, 1948 aims to protect workers from the financial hardships associated with these contingencies.

The ESI scheme is applicable to all factories and other establishments as defined in the ESI Act, 1948 having 10 or more persons employed in such establishments. The employees who are covered under the ESI scheme are those whose monthly wages do not exceed Rs.21,000/- per month (Rs.25,000/- per month in the case of a person with a disability). The ESI Corporation has fixed the contribution to the ESI Scheme, rate of 4% of wages with 3.25% of the wages being employer's contribution and 0.75% of the wages being employee's contribution.

The ESI scheme offers wide benefits such as Medical Benefits, Cash Benefits for Sickness, Maternity, Disablement Dependents etc. The ESI Scheme holds significant importance for both employers and employees as it provides to employees a safety net against unforeseen circumstances, ensuring access to quality medical care and financial assistance during times of need and for employers it demonstrates a commitment to employee welfare and helps build a positive work environment.

## 6. Payment of Gratuity Act, 1972

The Payment of Gratuity Act, 1972 is a social welfare legislation enacted by the Central Government and are enforced both by Central and State Governments.

The Payment of Gratuity Act, 1972 provides certain retiral benefits to employees as a reward for long service and commitment to the organisation and are enforced by both Central and State Governments.

The Payment of Gratuity Act, 1972 applies to factories, mines, oilfields, plantations, ports, railways, shops, and establishments with 10 or more employees. The Payment of Gratuity Act, 1972 mandates that an employee who has rendered continuous service for at least 5 years is eligible to receive gratuity upon termination of employment other than in cases of death or disablement where the qualify period of 5 years is not required or on fixed term employment provided if one year service is completed.

The gratuity is typically calculated as 15 days for each completed year of service, calculated, including periods of sickness, accident, leave, lay-off, etc, based on the employee's last drawn salary and be paid within 30 days from the date it becomes payable. The payment of gratuity shall be forfeited if an employee is terminated for misconduct involving moral turpitude or wilful damage to employer assets or where the service of the employee is terminated due to misconduct. The Payment of Gratuity Act, 1972 also outlines the formula for gratuity calculation and rules for payment, nomination, and dispute resolution.

## 7. Payment of Bonus Act, 1965

The Payment of Bonus Act, 1965 is enacted by Central Government and are enforced both by Central and State Governments.

This Act ensures that employees receive a share of the profits earned by their employers so as to promote industrial peace and reducing disparities. The Payment of Bonus Act, 1965 provides for payment of bonus to persons employed in certain establishments on the basis of profits or on the basis of production or productivity and for other matters connected therewith. It is applicable to every factory and to every other establishment where 20 or more workmen are employed on any day during an accounting year.

Every employee receiving monthly salary or wages upto Rs. 21,000/- and engaged in any kind of work whether skilled, unskilled, managerial, supervisory etc. is entitled to bonus for every accounting year if he has worked for at least 30 working days in that year ranging from 8.33% to 20% of the salary or wages or Rs.100/- whichever is higher. The maximum bonus payable is 20% of the salary or wage earned. For bonus calculation, employees earning less than or equal to Rs. 7,000/- per month, the bonus is calculated based on their actual salary and exceeding Rs. 7,000/- per month, the bonus is calculated on a notional salary of Rs.7,000/- per month or the minimum wage for the scheduled employment, whichever is higher. The bonus has to be paid within 8 months from the close of the accounting year and can be withheld in certain specific situations such as fraud, riotous or violent behaviour or theft, misappropriation or sabotage of any property of the establishment.

## 8. The Maternity Benefit Act, 1961

The Maternity Benefit Act, 1961 is enacted by Central Government and are enforced both by Central and State Governments.

The Maternity Benefit Act, 1961 regulates the employment of women including contractual women employees in establishments for certain periods before and after childbirth and to provide for maternity benefits and certain other benefits and applies to mines, factories, plantations, shops, and establishments employing ten or more people, with the exception of those covered under the Employees State Insurance Act, 1948. This Act covers women employed in these establishments in any capacity, whether directly or through an agency, including contractual or consultant roles. The women employees must have worked for at least 80 days in the 12 months preceding her expected delivery date.

**The benefits or the rights which women employees can avail under the Maternity Benefit Act, 1961 includes:**

- The maternity leave shall be for 26 weeks for first two children and for third and fourth children it shall be 12 weeks. The women can avail of a maximum of 8 weeks of leave before the expected date of delivery and the remaining weeks after childbirth.

- The maternity leave for adopting or commissioning mothers shall be 12 weeks from the date of the child's handover.
- In case of miscarriage or medical termination of pregnancy, a woman is entitled to maternity benefit for 6 weeks immediately following the day of her miscarriage, upon production of appropriate proof.
- This Act protects pregnant women from being fired or dismissed solely due to pregnancy or related absence.
- The Medical Bonus of Rs. 3,500/- is provided if the employer does not provide prenatal or postnatal care.
- The establishments employing 50 or more women employees are mandated to provide crèche facilities within a prescribed distance and women employees are permitted to visit the crèche as stated which includes their rest intervals.
- The provision for work from home can be availed after the 26 weeks of leave period, subject to the nature of work and mutual agreement between the employer and the employee.
- The employers are required to inform every woman employee about the maternity benefits available to them at the time of their initial appointment both in writing and electronically.

## 9. The Payment of Wages Act, 1936

The Payment of Wages Act, 1936 is enacted by Central Government and are enforced both by the Central and State Governments.

The Payment of Wages Act, 1936 ensures timely and fair compensation and prevent unauthorised deductions and regulates the manner and mode of payment of wages to employees. This Act outlines responsibilities for employers, specifies wage periods, and details permissible deductions.

The Payment of Wages Act, 1936 is applicable for industrial or other establishments like docks, wharfs, mines, quarries, oilfields, plantations, factories, or those which are notified by the appropriate Government and for employees whose monthly salary does not exceed Rs.24,000/-, the employers must establish wage periods, which cannot exceed one month and for establishments with less than 1000 employees, wages must be paid before the expiry of the 7<sup>th</sup> day after the wage period ends and for establishments with 1000 or more employees, the deadline is 10<sup>th</sup> day after the wage period ends. In case of termination of employment, earned wages must be paid before the end of the second working day from the termination date.

The Payment of Wages Act, 1936 permits specific deductions from wages, including fines, absence from duty, damage or loss caused by the employee, and recovery of advances or loans subject to the total deductions in a wage period cannot exceed 50% of the wages or 75% if deductions are partly or wholly





made for payments to cooperative societies. Further, the fines can only be imposed for acts and omissions that have been explicitly approved by the prescribed authority and displayed at the workplace and cannot exceed 3% of the employee's wage for the period. The fines cannot be imposed on employees under 15 years of age.

#### 10. The Industrial Employment (Standing Orders) Act, 1946

The Industrial Employment (Standing Orders) Act, 1946 is enacted by Central Government and are enforced both by Central and State Governments.

The Industrial Employment (Standing Orders) Act, 1946 standardises and defines the conditions of employment in industrial establishments and regulates the relationship between employers and employees to ensure stable industrial relations.

This Act extends to the whole of India and applies to every industrial establishment wherein 100 or more workmen are employed or were employed on any day during the preceding twelve months. Further, the appropriate Government may, after giving not less than two months extend the provisions of this Act to any industrial establishment employing such number of persons less than 100 as may be specified in the notification.

The Industrial Employment (Standing Orders) Act, 1946 requires employers in industrial establishments to formally define the conditions of employment known as "Standing Orders" detailing working hours, leave, holidays, grievance redressal and disciplinary

procedures etc and make them known to the workmen by way of written terms of employment thereby reducing the chances of exploitation of employees and minimising industrial disputes. The standing order shall come into operation on the expiry of 30 days from the date on which the authenticated copies are received from the certifying officer.

#### 11. Contract Labour (Regulation and Abolition) Act, 1970

The Contract Labour (Regulation and Abolition) Act, 1970 is enacted by Central Government and are enforced both by Central and State Governments.

It regulates the employment of contract labourers in establishments and by contractors by obtaining the license for employing the contract labour.

The Contract Labour (Regulation and Abolition) Act, 1970 applies to establishments or contractors employing 20 or more contract labourers on day of previous 12 months. It does not apply to establishments where the work is of intermittent or casual or seasonal nature. The principal employer (the entity for whom the work is being done) is responsible for ensuring that contractors comply with the Act and provide proper working conditions and the contractors are responsible for wages, welfare, and other facilities for their contract labourers. Further, the appropriate government can prohibit the employment of contract labour in certain processes, operations or work in an establishment if the nature of the work is permanent, continuous and not intermittent or casual or seasonal nature and the possibility of employing regular workmen.

## 12. The Trade Unions Act, 1926

The Trade Unions Act, 1926 is enacted by Central Government and enforced by the State Governments.

Trade Union means “any combination, whether temporary or permanent, formed primarily for the purpose of regulating the relations between workmen and employers or between workmen and workmen or between employers and employers, or for imposing restrictive conditions on the conduct of any trade or business, and includes any federation of two or more trade unions”.

The Trade Unions Act, 1926 provides a legal framework for the establishment and operation of trade unions, empowering them to represent employees and negotiate for their rights and interests in the workplace and to enable collective bargaining and dispute resolution. The Trade Union plays a vital role in promoting fair labour practices and ensuring that workers have a voice in matters affecting their employment. The registration of a Trade Union is desirable as a registered trade union enjoys certain rights and privileges and is treated as a body corporate under the Act.

## LABOUR LAW COMPLIANCES

The compliance of labour laws is as important for good corporate governance as any other corporate, economic and securities laws. Under the Companies Act, 2013, the Board of Directors have to state in their Director Responsibility Statement to the effect that the organisation had devised proper process, systems and procedures in ensuring the compliance with the provisions of all applicable laws and such systems were compiled with and are adequate and operating effectively. The Statutory and Secretarial Auditors as part of their audit requirements have to state and submit a report to the Board and Shareholders on compliance of all applicable laws including labour laws. Further, every assessee to whom the tax audit is applicable under Section 44AB of Income Tax Act, 1961 has to compulsorily comply with the statutory and tax law compliances and the tax auditors are required to report the details of contribution towards social security schemes, due date of its deposit under prescribed statute and actual date of deposits.

## LABOUR LAW COMPLIANCES CAN BE BROADLY DIVIDED INTO THE FOLLOWING CATEGORIES

### a. Registrations

The Labour registration is an important preliminary step, before commencing the business operations, under specific labour registration as applicable and obtain the registration/ license number. The registrations/ licenses are mainly depended upon the strength of the employees, nature of operations etc. After the registration / license number is obtained,

then it becomes imperative to register other labour legislation such as EPF, ESI, Professional Tax Act, Labour Welfare Fund Act, filing of notice of opening under the Gratuity Act, constitution of the POSH and Grievance Redressal Committees etc.

### b. Notices and Abstracts

The organisation is required to display notices and abstracts in terms of various labour laws at the workplace for creating awareness amongst the employees about their rights and employers' duty towards them. These notices generally relate to the working hours, shift timings, weekly days off, timing of payment of wages, gratuity entitlement, maternity benefit, minimum wages payable, sexual harassment and grievance redressal at the workplace, etc. These notices are required to be displayed on the notice board of the offices of the organisation or at the places where they are accessible to the employees.

### c. Registers and Records

The organisations are required to maintain registers and records of employees in the format as prescribed regarding attendance, wages, leaves, fines etc. under various labour legislations such as the Factories Act, 1948, Shops and Establishment Act, Payment of Wages Act, 1936, Maternity Benefit Act, 1961, Payment of Bonus Act, 1965 etc. The registers and records are required to be maintained either physically or in computerised form which requires to be updated as prescribed, maintained and preserved as stated under the specific legislations.

### d. Periodical Filings

There are periodical filings that are required to be submitted/ filed to the concerned authority by the establishments. The filings, either physically or in e-form, shall be mainly for PF, ESI, Professional Tax, Labour Welfare Fund, POSH report, Shops and Establishment, Factories Act, 1948, Payment of Wages Act, 1936, Payment of Bonus Act, 1965 etc.

Apart from the above regular compliance, employer also needs to comply with contingent compliances such as obtaining gratuity nomination from the employees who have completed one year of service with the organisation, supply of certain prescribed forms to female employees who wants to avail maternity leaves, submission of applicable forms to EPF and ESI authorities, notice to appropriate authority under the applicable Labour laws etc.

## ROLE OF THE COMPANY SECRETARY UNDER THE LABOUR LAWS

The Company Secretaries are vital link between the organisation and its stakeholders and being a Compliance Officer they ensure that the organisation follows process, procedures and also complies with various laws including

labour laws as applicable to the organisation. The Company Secretary shall also review and provide guidance to the organisation and its stakeholders who are discharging their responsibilities in running the organisation on the applicability of the labour laws. The role of Company Secretaries can be broadly summarized as follows:

- Compliance – complying with the requirements of the labour laws.
- Advising – Advising and guiding the organisation to comply with the labour laws.
- Reporting - Reporting of the compliances to the stakeholders as appropriate.

#### a. Company Secretary as Compliance Officer

The compliance of labour laws is not just the adherence to laws and regulations but sets the standards that govern the relationship between employers and employees. The Company Secretary, by virtue of his compliance acumen, can identify all labour legislations governing the functioning of each operating units of the organisation and on this basis can ensure that the organisation is duly registered under all applicable laws, necessary registration and licenses are obtained and also ensure that the stakeholders who deal with his organisation shall also comply with the applicable labour laws. The Company Secretary can also ensure that his organisation and the stakeholders comply with registration or licensing requirements such as remittances of social security contributions, filing of applicable returns, maintenance of registers either in physical form or in computerized forms.

#### b. Company Secretary as Advisor

The Company Secretary, being a seasoned professional is competent to advise management on the applicable labour laws pertaining to the organisation. Towards this, the Company Secretary can review the current systems and practices and level of compliances in the organisation and make advise or recommendations to rectify the deficiencies and also suggest plans of action. For instance, the Company Secretary can advise the HR dept in drafting of the employment agreement including the fixation of wages by taking into account the inclusion part, exclusion part and conditions which limit the quantum of exclusions in fixing the wage of an employee and also the manner in which an employer could make deductions to their salary. Further, the Company Secretary can also advise and ensure that the contractors are in compliance with the Labour Laws as applicable to the contractors and advise the management to avoid employing contract labour in core or perennial activities of the organisation. The Company Secretary can also be engaged with various committees

of the organisation like the Grievance Redressal Committee, Safety Committee and POSH Committee etc and offer his advice and professional acumen as appropriate.

#### c. Company Secretary as Reporting Officer

The labour law compliances are not just restricted to filing returns, but adequate reporting and maintenance of records serve as evidence for the compliance of the laws. For this, the Company Secretary needs to carry out a systematic critical examination of the records maintained and level of its compliance. The reporting of compliance to the Board and other stakeholders either by way of periodic reporting or otherwise play a key and vital role in building strong relationships that can deliver a lot of value to the organisation, improved decision making and ensuring accountability that leads to greater transparency, better corporate governance and openness which can help keep an organisation accountable to its values and promises.

### CONCLUSION

The Company Secretary, keeping with the principle to promote compliance rather than getting penalised, adhering to stringent corporate governance principles and setting tougher transparency requirements, will certainly make the organisation more transparent and open. In addition to compliance with the provisions of Company Law, the Company Secretary must appreciate and have an ever-increasing knowledge of the laws on the administration and operation of an organisation. In today's scheme of things, in addition to its conventional efforts to ensure good governance, a good Company Secretary should also ensure that his stakeholders recognise the human face of corporate governance. A Company Secretary might understand the consequences of non-compliance on registrations, contribution and remittances, display of notices, maintenance of registers and records, and submission of periodical filing etc, that can attract penalties, legal action, and damage to an employer's reputation.

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# E-Compliance in Wage Laws: Licensing, Registration and Regulation

The landscape of employment in India is rapidly evolving. Digital systems, formal employment opportunities, and new regulatory reforms are altering the dynamics between businesses and their workers. Central to these changes is the Law of Wages, which addresses a crucial aspect of worker welfare—ensuring timely, fair, and equal pay for all employees. In this context, the article examines four significant wage laws—the Payment of Wages Act, 1936; the Minimum Wages Act, 1948; the Payment of Bonus Act, 1965; and the Equal Remuneration Act, 1976. It outlines their essential provisions, notable case law, compliance requirements such as policy formulation and display obligations, along with ways to incorporate these regulations in the era of digital governance.



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## INTRODUCTION

The world of work in India is changing very fast. Digital systems, formal jobs, and new compliance reforms are reshaping how businesses and workers interact. At the heart of these reforms lies the Law of Wages, which deals with one of the most important aspects of labour welfare—making sure that workers are paid fairly, equally, and on time.

In the past, labour laws in India, were spread across many small Acts. Employers had to take several licenses, file multiple returns, and maintain heavy registers. The implementation of online licensing and registration, e-returns, and computer-based inspections brought more transparency and reduced unnecessary interference. Launched in 2014, the unified Shram Suvidha Portal was a turning point, allowing businesses to file one common return and get inspection reports online. With the introduction of the Code on Wages, 2019, the traditional “inspector” has been replaced with an Inspector-cum-Facilitator, who is expected to guide as well as enforce the law.

In view of the above background, this article looks at four important wage laws—the Payment of Wages Act, 1936; Minimum Wages Act, 1948; Payment of Bonus Act, 1965; and Equal Remuneration Act, 1976. It explains their key provisions, important case laws, compliance requirements

like policy framing and display obligations, and how these can be implemented in the age of digital governance.

## EVOLUTION OF LABOUR LAW COMPLIANCE AND E-LICENSING

### • From Manual to Digital

Traditionally, compliance under wage-related labour laws in India was heavily manual and fragmented. Employers were required to maintain multiple registers such as wage registers, attendance records, overtime registers, and deduction registers, all in prescribed formats. Returns had to be filed in paper form with different authorities at the state and central levels, which often led to duplication of information and lack of coordination. Inspections were conducted physically by labour officers, and in many cases, the process was subjective.

Recognizing these challenges, the Government of India initiated a series of reforms. The Shram Suvidha Portal, launched in 2014, marked a major step toward ‘Ease of Doing Business’. It introduced a unified Labour Identification Number (LIN), which allowed employers to file a single, consolidated online return instead of multiple paper-based submissions. This shift from manual compliance to digital governance represents the end of Inspector Raj and the beginning of a more transparent, predictable, and business-friendly system.

### • Key initiatives:

- ♦ Shram Suvidha Portal – Unified online return, digital inspection system.
- ♦ EPFO / ESIC – Online registration for employees.
- ♦ **State Labour Departments:** e-sign wage registers, e-filing annual returns.
- ♦ **e-Licensing:** Factories, Contract Labour, Shops & Establishments.

**Impact:** A shift from “*paper compliance*” to *technology-enabled monitoring*.

## THE PAYMENT OF WAGES ACT, 1936

### • Objective

The Payment of Wages Act, 1936 was one of the earliest labour legislations in India, enacted during the colonial period to protect industrial workers from arbitrary wage practices. This Act was introduced to ensure that wages were paid on time and in full, safeguarding employees who were most vulnerable due to their lower earning capacity and lack of bargaining power. Over the decades, this Act underwent several amendments, gradually expanding its coverage from workers earning less than Rs. 200 per month in 1936 to Rs. 24,000 per month in later years, reflecting inflation and changing wage structures. This evolution shows how the law adapted to meet the realities of India's growing industrial economy and the rising need for formal protection in employment.

### • Key Provisions

- **Section 3:** Employer's responsibility to pay wages without delay and prohibit unauthorized deductions.
- **Section 4–6:** Mandate wage periods and timelines, requiring payment before the 7<sup>th</sup> or 10<sup>th</sup> day of the following month, depending on the size of the establishment.
- **Section 7:** Specifies permissible deductions, such as provident fund contributions, fines, absence from duty, or recovery of advances, thus creating a balance between employer rights and employee protection.
- **Section 15:** Provides workers with a remedy through the Labour Commissioner or designated authority, ensuring quick resolution.

### • Judicial Interpretation

- ***A.V. D'Costa v. B.C. Patel (1955):*** The Apex Court of India held that any deduction from wages not specifically permitted under the Act is illegal, reinforcing strict protection of employees' earnings.
- ***Glaxo Laboratories v. Labour Court (1984):*** The Apex Court of India ruled that employers cannot make excess recovery or adjustments unilaterally; due process under the Act must be followed.
- ***Payment of Wages Inspector v. B.E.S.T. Undertaking (1969):*** It was clarified that the term "wages" includes overtime and allowances, ensuring comprehensive coverage of employee entitlements.

The digitization of wage law compliance for employers, translates into the need for structured internal policies—covering wage payment, minimum wages, bonuses, and gender-neutral pay—along with digital filings, e-licensing, and mandatory displays in both physical and electronic formats.

### • E-Compliance & Policy Implications

- **E-Payroll Implementation:** Wages must be paid through bank transfer or electronic modes, ensuring higher transparency, reduced cash handling, and easy audit trails.
- **Policy Requirement:** Organizations should frame a clear *Wage Disbursement Policy* specifying timelines for salary payments, permissible deductions, and mechanisms for employees to raise and resolve grievances.
- **Display Requirement:** Employers must display a concise abstract of the Act and notify wage periods, which can now be done via digital notice boards, company intranet, or employee self-service portals.

**Example:** An IT company in Noida adopted digital payslips along with an online grievance redressal portal, resulting in a 40% reduction in wage-related disputes within one year.

## THE MINIMUM WAGES ACT, 1948

The Minimum Wages Act, 1948 was enacted to ensure that workers in scheduled employments receive a fair and basic standard of living through statutory wage protection. It safeguards vulnerable sections of the workforce from being underpaid and establishes a legal floor below which wages cannot fall.

- **Objective:** The Act aims to prevent exploitation by fixing minimum wages in scheduled employments, ensuring that no worker is paid less than what the law prescribes.

### • Key Provisions:

- **Section 3:** Empowers the Central and State Governments to fix and revise minimum wage rates for different industries, employments, and skill categories.
- **Section 12:** Prohibits payment of wages below the statutory minimum, regardless of contractual agreements.
- **Section 14:** Requires overtime wages to be paid at *twice the ordinary rate*.
- **Section 18:** Makes it mandatory for employers to maintain wage registers and provide wage slips to employees.

### • Judicial Interpretation:

- ***U Unichoyi and others v. State of Kerala (1961):*** The Apex Court of India held that the employer's capacity to pay is irrelevant; statutory wages must be paid regardless of financial condition.
- ***Hydro (Engineers) Pvt. Ltd. v. Workmen (1969):*** The Apex Court of India held that Minimum wages

are non-negotiable and cannot be waived by any agreement.

- ♦ **PUDR v. Union of India (1982):** The Apex Court of India declared that paying workers less than minimum wages amounts to *forced labour*, violating Article 23 of the Constitution.
- **E-Compliance & Policy Implications:**
  - ♦ **E-Gazette Notifications:** Governments now issue revised wage rates online, enabling real-time updates.
  - ♦ **Policy Requirement:** Organizations should adopt a *Minimum Wage Compliance Policy* backed by quarterly audits to ensure wage payments match government notifications.
  - ♦ **Display Requirement:** Updated minimum wage rates must be displayed in the workplace and digitally (intranet/employee portal), preferably in the local language for worker awareness.

## THE PAYMENT OF BONUS ACT, 1965

- **Objective**

The Payment of Bonus Act, 1965 ensures that employees share in the prosperity of the organization by granting them a statutory right to bonus. It aims to promote social justice by linking the benefit of profits to the workforce, particularly those in the lower and middle-income brackets.

- **Key Provisions**

- ♦ **Applicability:** Applies to establishments employing 20 or more persons.
- ♦ **Eligibility:** Employees drawing wages up to Rs.21,000 per month are entitled.
- ♦ **Section 10:** Minimum bonus of 8.33% of salary/wages.
- ♦ **Section 11:** Maximum bonus capped at 20% of salary/wages.
- ♦ **Section 15:** Introduces the “set-on” and “set-off” mechanism, allowing adjustment of bonus based on profits across accounting years.

- **Judicial Interpretation**

- ♦ **Jalan Trading Co. v. Mill Mazdoor Union (1967):** The Apex Court of India confirmed that payment of bonus is valid and constitutional.
- ♦ **State of TN v. K. Sabanayagam (1997):** The Apex Court of India reinforced that payment of bonus is a statutory obligation, not a voluntary charity.
- ♦ **Muir Mills Co. v. Suti Mills Mazdoor Union, Kanpur (1955):** The Apex Court of India clarified that while bonus has a connection with profits, it is equally a statutory right of workers.

- **E-Compliance & Policy Implications**

- ♦ **E-Registers:** Employers must maintain digital records of bonus payments and employee eligibility.
- ♦ **Policy Requirement:** Adoption of a Bonus Distribution Policy, outlining eligibility criteria, timelines, and disclosure norms to avoid disputes.
- ♦ **Display Requirement:** Abstract of the Act and details of bonus eligibility should be digitally displayed at the workplace and intranet portals.

**Example:** A manufacturing company in Gujarat introduced an online bonus declaration system, which significantly reduced union-related disputes and improved transparency.

## THE EQUAL REMUNERATION ACT, 1976

- **Objective**

The Equal Remuneration Act, 1976 was enacted to eliminate gender-based discrimination in matters of wages and employment opportunities. Its foundation lies in Article 39(d) of the Constitution, which directs the State to ensure *equal pay for equal work for both men and women*. The Act was also India's response to its international commitments after ratifying the ILO Convention No. 100 (Equal Remuneration Convention, 1951), which emphasized equality in wages without discrimination. Prior to this, women often faced lower pay for the same work and were denied opportunities in certain roles. The Act therefore came into force to guarantee not only equal wages for equal work but also to ensure that women are not discriminated against in recruitment, promotions, and service conditions. Over the years, it has become a cornerstone in promoting workplace equality and gender justice in India.

- **Key Provisions**

- ♦ **Applicability:** Covers establishments in both public and private sectors.
- ♦ **Section 4:** Equal remuneration to men and women workers for same or similar work.
- ♦ **Section 5:** No discrimination in recruitment, promotions, training, or transfers.
- ♦ **Section 6:** Employer to maintain registers showing compliance with the Act.

- **Judicial Interpretation**

- ♦ **Randhir Singh v. Union of India (1982):** The Apex Court of India held that “Equal pay for equal work” is a constitutional right under Articles 14 & 16.
- ♦ **Mackinnon Mackenzie & Co. v. Audrey D’Costa (1987):** The Apex Court of India held that women stenographers are entitled to same pay as male stenographers; gender-based pay scales are invalid.
- ♦ **Air India v. Nargesh Meerza (1981):** The Apex Court of India held that Service conditions cannot discriminate against women employees (retirement, pregnancy-based termination struck down).



## • Compliance & Policy Implications

- ♦ **E-Registers:** Employers to maintain digital records of wage equality, promotions, and recruitment.
- ♦ **Policy Requirement:** Gender Equality Policy covering equal pay, transparent promotion criteria, and redressal mechanism.
- ♦ **Display Requirement:** Abstract of the Act at workplace and on company intranet.

**Example:** A Bengaluru based IT firm introduced a digital HR audit system to track pay gaps, resulting in a 100% gender-neutral salary structure within two years.

## POLICY FRAMING, REGISTRATION & DISPLAY REQUIREMENTS

### 1. Internal Policies Required

- **Wage Payment Policy:** It should clearly outline timelines for salary disbursement (monthly/weekly), permissible deductions (statutory, authorized, or penal), and establish an internal grievance redressal mechanism for wage-related complaints.
- **Minimum Wage Policy:** It must ensure that wage structures across all categories of workers are updated in line with Government notifications, including variable dearness allowance (VDA) revisions.
- **Bonus Policy:** It should define eligibility, timelines, and method of bonus distribution, especially in profit-linked scenarios, while also covering provisions for “set-on” and “set-off” as per law.
- **Equal Remuneration Policy:** It should enforce gender-neutral pay practices, prohibit bias in recruitment, promotions, or training, and ensure transparent criteria for wage fixation.

### 2. E-Licensing & Registration

- **Unified Online Registration:** Employers must register establishments under applicable wage laws through the Shram Suvidha Portal, which acts as a single-window system.
- **Digital Filing of Returns:** Annual/half-yearly returns under Payment of Wages, Minimum Wages, Bonus, and Equal Remuneration Act to be filed electronically.
- **License Management:** Factories, shops, and commercial establishments are required to obtain licenses, with online renewals now being the standard practice to reduce paperwork.
- **Linkage with EPFO/ESIC:** Many state systems are being integrated with central portals for ease of compliance.

### 3. Display Requirements

- **Abstracts of Acts:** Mandatory display of key provisions and employee rights under wage laws in

English, Hindi, and the local regional language at the workplace.

- **Notices for Workers:** Display of wage periods, working hours, minimum wage rates, bonus eligibility criteria, and contact details of the Inspector or Labour Officer.
- **Digital Displays:** For IT/ITES and hybrid workplaces, abstracts and policies should also be hosted on the company intranet/HR portals, ensuring remote workers have equal access to statutory information.

## WAY FORWARD

- **Unified Labour Compliance Portal:** Development of a single national platform integrating state and central filings.
- **AI-based Wage Audits:** Adoption of AI/analytics tools by regulators and large employers to flag irregular payments, underpayment risks, and bonus miscalculations in real time.
- **Worker-Centric Digital Tools:** Mobile apps offering instant access to wage slips, bonus calculations, and grievance filing in multiple regional languages to increase transparency.
- **Implementation of Wage Code, 2019:** Once enforced uniformly, the Code will subsume existing wage-related Acts, providing standard definitions, consolidated compliance requirements, and reduced regulatory overlap.

## ROLE OF COMPANY SECRETARY IN E-COMPLIANCE OF WAGE LAWS

The Company Secretary (CS), as a key governance professional, plays an increasingly important role in ensuring e-compliance under wage legislations in India. With the shift from paper-based filings to digital platforms such as the Shram Suvidha Portal, EPFO, ESIC, and state labour portals, the role of the CS extends beyond secretarial work to encompass compliance strategy, monitoring, and digital governance.

**Key responsibilities include:**

### a) Compliance Advisory & Policy Drafting

- Advising the Board and HR leadership on statutory requirements under the Payment of Wages Act, 1936; Minimum Wages Act, 1948; Payment of Bonus Act, 1965; and Equal Remuneration Act, 1976 as well as their integration under the Code on Wages, 2019.
- Drafting and reviewing internal policies such as Wage Payment Policy, Minimum Wage Policy, Bonus Distribution Policy, and Equal Remuneration Policy to ensure statutory alignment.

### b) E-Filing & Digital Documentation

- Overseeing online registrations, filings of returns, and renewals of licenses through portals like Shram Suvidha, EPFO, and ESIC.

- Ensuring wage registers, bonus declarations, and gender equality records are digitized and maintained in prescribed formats for inspection and audits.

#### c) Monitoring & Internal Controls

- Conducting internal wage law compliance audits in coordination with HR and finance teams to detect risks such as underpayment, delayed disbursements, or non-alignment with minimum wage notifications.
- Implementing digital dashboards for compliance tracking and preparing MIS reports for management review.

#### d) Board-Level Reporting & Disclosures

- Placing quarterly compliance status reports before the Board or Audit Committee to ensure accountability.
- Certifying compliance in statutory filings and disclosures wherever wage-related compliance overlaps with corporate reporting obligations.

#### e) Capacity Building & Employee Awareness

- Guiding HR teams on legal updates, case law developments, and government notifications related to wages.
- Facilitating digital awareness initiatives for employees—such as intranet-based statutory abstracts, FAQs on wage laws, and grievance redressal mechanisms.

#### f) Bridge Between Regulator & Organization

- Acting as a liaison during digital inspections, clarifications, or notices issued by Inspector-cum-Facilitators.
- Ensuring timely submission of replies and representation before labour authorities.

**Example:** In several corporates, CS professionals have successfully integrated wage law compliance with enterprise governance tools—such as payroll software linked to compliance dashboards—thus minimizing human error and ensuring transparency in wage disbursements.

## CONCLUSION

The digitization of wage law compliance marks a paradigm shift in India's labour governance framework. With the Payment of Wages Act, 1936; Minimum Wages Act, 1948; Payment of Bonus Act, 1965; and Equal Remuneration Act, 1976 a statutory foundation has been laid to secure the rights of workers across sectors. Over time, judicial interpretations have expanded the scope of these laws, reinforcing principles of fairness, equality, and timely remuneration.

For employers, this transformation translates into the need for structured internal policies—covering wage payment, minimum wages, bonuses, and gender-neutral pay—along with digital filings, e-licensing, and mandatory displays in both physical and electronic formats. Compliance is no longer limited to paperwork; it demands systematic monitoring, integration with government portals, and employee accessibility through digital tools.

For workers, the framework ensures greater transparency, reduced wage-related disputes, and improved access to entitlements. The move towards AI-based audits, mobile wage slips, and multilingual interfaces further bridges the gap for unskilled and migrant workers, addressing the digital divide.

As India advances towards the full enforcement of the Code on Wages, 2019, the convergence of technology, law, and policy will not only simplify compliance for organizations but also strengthen trust and accountability in employer–employee relations. This evolution represents a crucial step towards building a labour ecosystem that is equitable, transparent, and sustainable in the digital era.

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# The Alchemy of Waste: How India's New E-Waste Rules are forging a Digital Circular Economy for Viksit Bharat@2047

The E-Waste (Management) Rules, 2022, a landmark legislative framework is the response of Government of India to the environmental crisis. The core of these rules is the principle of Extended Producer Responsibility (EPR), which holds manufacturers, producers, refurbishers, and recyclers accountable for the entire lifecycle of their products. The article articulates the 2022 Rules and its amendments thereof that have transformed EPR from a voluntary commitment into a legally binding mandate, backed by the Central Pollution Control Board (CPCB) centralized digital portal.



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## INTRODUCTION

In the modern era, the pursuit of technological advancement has often come at the expense of our environment. The relentless cycle of consumption, driven by innovation and convenience, leaves behind a toxic trail of electronic waste. Ironically, our ancestors in ancient India understood the intrinsic link between human activity and environmental well-being. The sophisticated urban planning of Mohenjo-Daro and Harappa, with its advanced drainage and waste segregation, stands as a testament to a civilization that viewed waste not as an end, but as a resource to be managed with reverence. This ancient philosophy, a form of a circular economy, has been largely lost in our digital age.

The government's response to the environmental crisis has culminated in the **E-Waste (Management) Rules, 2022**, a landmark legislative framework that supersedes its 2016 predecessor. The core of these rules is the principle of **Extended Producer Responsibility (EPR)**, which holds manufacturers, producers, refurbishers, and recyclers accountable for the entire lifecycle of their products. The 2022 Rules and its amendments thereof have transformed EPR from a voluntary commitment into a legally binding mandate, backed by the **Central Pollution Control Board (CPCB)** centralized digital portal. This robust, digital, and market-based framework is a strategic move to formalize India's e-waste management system and build a true circular economy.

## FROM POLICY TO PRACTICE: THE GENESIS AND SCOPE OF THE 2022 RULES

The E-Waste (Management) Rules, 2022, were notified by the Ministry of Environment, Forest and Climate Change (MoEF&CC) and came into force on April 1, 2023. These rules are a critical step in a series of environmental regulations, deriving their authority from the parent legislation, the Environment (Protection) Act, 1986. The overarching objective is to ensure the environmentally sound management of e-waste to protect human health and the environment from the adverse effects that can result from improper handling. The new rules are a "transformative step" towards promoting a circular economy, moving away from a "process-based" EPR model to a more flexible and efficient "market-based" one.

This new framework is built on online and seamless procedures, reflecting a modernization of regulatory governance. **E-waste**, as defined by the rules, refers to discarded electrical and electronic equipment (EEE), including components, consumables, and rejects from manufacturing, refurbishing, and repair processes. The careful management of this waste is crucial, as it contains hazardous substances such as lead, mercury, and cadmium that can cause severe health and environmental damage if mishandled or disposed of improperly.

The introduction of a **market-based EPR model** is a foundational change in regulatory philosophy. By establishing a system of tradable **EPR certificates**, the rules create a quantifiable, economic asset for recycling and refurbishment. This not only makes accountability a verifiable financial transaction but also provides a clear business incentive for recyclers to scale their operations and for producers to procure their obligations strategically. This systemic change enables a more mature and efficient compliance ecosystem.

The rules apply to a broad range of entities, including every **Manufacturer, Producer, Refurbisher, Dismantler, and Recycler** involved in the lifecycle of EEE listed in Schedule I. This extensive list covers 106 items, including solar photovoltaic modules, panels, or cells, and explicitly covers "components, consumables, parts, or spares" that make the product operational. The targeted inclusion of components and spares ensures that a manufacturer cannot circumvent responsibility by outsourcing, thereby holding them accountable for the entire product. Conversely, the rules include specific exclusions, such as waste batteries, packaging



plastics, radioactive wastes as covered under separate Rules. Notably, exemption of **micro-enterprises** is a pragmatic approach that removes a significant compliance burden from small businesses, allowing them to grow without complex regulatory overhead, while keeping the primary focus on larger players.

## THE DIGITAL GATEWAY: MANDATORY REGISTRATION AND DOCUMENTATION

Under the E-Waste (Management) Rules, 2022, mandatory registration on the CPCB online portal is a prerequisite for all entities involved in the e-waste ecosystem. This is a foundational pillar of the new framework, as the rules explicitly state that no regulated entity “shall carry out any business without registration or deal with any unregistered entity.” This provision effectively makes compliance a prerequisite for doing business within the formal e-waste sector. An entity that falls under more than one category—for example, a manufacturer who also operates a recycling facility—must register separately for each category to ensure a clear delineation of responsibilities.

The rule prohibiting business with unregistered entities transforms the industry into a self-enforcing ecosystem. This powerful provision creates a strong incentive for every player in the supply chain to formalize their operations and register. By requiring companies to transact only with registered partners, the government has effectively delegated a portion of its enforcement responsibility to the industry itself. This creates a network effect that systematically pressures the entire e-waste value chain towards formalization, which is essential for ensuring traceability and accountability.

The registration process is conducted entirely online through the CPCB EPR Portal, following a systematic, multi-step procedure. A comprehensive set of documents is required, including PAN Card, GST Certificate, CIN (Company Incorporation Certificate) of the company, and, for importers, the Import-Export Code (IEC) certificate. Applicants must also provide product details, such as brochures or spec sheets, and submit an **E-Waste Management Plan** that details their strategy for collecting and recycling waste. A crucial requirement is the submission of a self-declaration regarding compliance with the **Restriction of Hazardous Substances (RoHS)** rules. This places a high burden of data accuracy and preparedness on the applicant, as any incomplete documentation can lead to a rejection or significant delays in the approval process.

## THE LICENSING AND AUTHORIZATION FRAMEWORK: A CRUCIAL FIRST STEP

While the CPCB's online registration is the central requirement, it is part of a broader, multi-layered licensing framework. For entities like **recyclers** and **dismantlers**, the CPCB registration must be accompanied by a “**Consent to Operate**” issued by their respective State Pollution Control Board (SPCB) or Pollution Control Committee (PCC). This consent, mandated under the Water and Air Acts, serves as a physical verification of the facility. The SPCB/PCC conducts a thorough inspection to ensure the plant meets all technical and safety standards for handling hazardous materials, including proper infrastructure, pollution control measures, and worker safety protocols.

The documents required for this physical authorization are extensive and include copies of the CTE (Consent to Establish) and CTO (Consent to Operate) from the SPCB/PCC, authorization under the Hazardous and Other Wastes (Management) Rules, 2016, and even geo-coordinates and videos of the recycling facility. This dual-layered system of digital registration by the CPCB and physical authorization by state bodies is designed to prevent “paper-based” compliance and ensure that facilities are genuinely equipped to handle e-waste in an environmentally sound manner. For a company to legally operate, both the digital registration and the physical authorization must be in place.

## EXTENDED PRODUCER RESPONSIBILITY: A STRATEGIC IMPERATIVE

EPR is a policy framework that holds producers accountable for the entire lifecycle of their products. It is a cornerstone of India's push towards a circular economy, encouraging a strategic approach known as “**urban mining**,” which involves recovering valuable materials from discarded electronics to reduce the country's reliance on importing virgin resources. This reframing of e-waste from a mere environmental liability into a strategic resource compels producers to design more sustainable and easily recyclable products.

Producers are required to meet specific, phased recycling targets to fulfill their EPR obligations. These targets are calculated based on the weight of EEE placed on the market.

- For the financial years 2023-24 and 2024-25, the target is 60% of the quantity of waste generated from products sold.
- This target increases to 70% for 2025-26 and 2026-27.
- And finally, to 80% for 2027-28 and onwards.

The progressive nature of these targets provides a predictable roadmap for the industry. The efficacy of this approach is evidenced by the national e-waste recovery rate, which recently jumped significantly, demonstrating that the new online system is functional and effectively channeling material into the formal ecosystem, thus compressing the “grey zone” of informal, unscientific recycling.

The **EPR certificate mechanism** is a central innovation of the 2022 rules. Producers fulfill their recycling targets by purchasing these certificates from registered recyclers or refurbishers through the CPCB portal. This system creates a digital platform for the “exchange or transfer” of these certificates. The CPCB has been empowered to fix the highest and lowest prices for these certificates, which are set at 100% and 30% of the environmental compensation, respectively. This system functions as a controlled, “cap-and-trade” market for e-waste compliance, monetizing the act of recycling and providing a direct financial incentive for formal recyclers to operate efficiently.

## A DELINEATED ECOSYSTEM: RESPONSIBILITIES OF KEY STAKEHOLDERS

The rules clearly delineate the responsibilities of all key stakeholders, ensuring accountability across the value chain.

- **Manufacturers, Producers, and Importers:** They are at the forefront of accountability, required to register on the CPCB portal and file both annual and quarterly

returns. A key responsibility is ensuring their products do not contain hazardous substances beyond prescribed limits, a core tenet of RoHS compliance. Their ultimate responsibility is to fulfill their EPR targets exclusively through registered recyclers or refurbishers.

- **Refurbishers:** A refurbisher is defined as any person or entity that repairs or assembles used EEE to extend its working life. These entities are a critical part of the formal channelization system and must register on the CPCB portal. Their responsibilities inter-alia includes ensuring that the refurbished equipment shall be as per Compulsory Registration Scheme of the Ministry of Electronics and Information Technology and Standards of Bureau of Indian Standards framed for this purpose. A pioneering concept introduced in the 2022 rules is the “refurbishing certificate.” This innovative approach empowers refurbishers to issue these certificates, which producers can purchase to defer their EPR liability for the added lifespan of the refurbished product. This mechanism directly monetizes the act of extending a product’s life and incentivizes repair over disposal.
- **Recyclers and Dismantlers:** They form the backbone of the e-waste management ecosystem. They must register on the CPCB portal and, crucially, obtain “Consent to Operate” from their respective State Pollution Control Board (SPCB) or Pollution Control Committee (PCC) under different Air and Water Acts. As the only entities authorized to generate EPR certificates, they are central to the functioning of the market-based EPR system. The CPCB’s detailed Standard Operating Procedures (SOPs), which address everything from Cathode Ray Tube (CRT) dismantling to data destruction, are specifically designed to combat the unscientific and dangerous practices prevalent in the informal sector.
- **Bulk Consumers:** A bulk consumer is defined as any entity that has used at least 1,000 units of EEE in a financial year, including e-retailers. Unlike producers, bulk consumers do not have recycling targets imposed upon them. Their sole legal responsibility is to ensure that the e-waste they generate is handed over exclusively to registered producers, refurbishers, or recyclers. This strategic placement of a single responsibility makes bulk consumers critical gatekeepers for the formal recycling system.

The introduction of a market-based EPR model is a foundational change in regulatory philosophy. By establishing a system of tradable EPR certificates, the rules create a quantifiable, economic asset for recycling and refurbishment.

the cost of scientifically managing that waste. The rules also introduce a non-refundable component for false reporting and a tiered refund system for producers who meet their obligations within a grace period.

The EC is calculated under two distinct regimes:

1. **EC Regime 1:** This is specifically levied on producers who fail to meet their EPR targets for the collection and recycling of e-waste.
2. **EC Regime 2:** This regime is applicable to all entities—producers, recyclers, refurbishes, and manufacturers—who violate non-EPR-related provisions, such as operating without a mandatory registration, providing false information, or submitting forged documents.

To ensure compliance, the CPCB and SPCB are empowered to conduct random inspections and periodic audits. The introduction of the online portal has fundamentally changed the nature of these audits, making them more data-driven and effective at detecting fraud. An auditor can now cross-reference a recycler’s certificate generation with a producer’s purchase data, thereby verifying that the “certificate trail must line up with physical flows.” This data-driven approach makes it significantly harder for entities to engage in “greenwashing” and provides a higher level of confidence in the reported data.

Failure to comply with the e-waste rules can result in a cascading series of punitive measures. Providing false information, for instance, can lead to the revocation of a business’s registration, a non-refundable environmental compensation fee, and potential prosecution under the Environment (Protection) Act, 1986. The penalties are layered and cumulative, creating a multi-faceted deterrent that is both financially and reputationally damaging.

## THE AUDIT AND INSPECTION PROCESS

To ensure compliance, the CPCB and SPCBs are empowered to conduct random inspections and periodic audits. The focus of these audits is to verify adherence to the EWMR, including the meticulous record-keeping of e-waste activities, data accuracy, and compliance with technical guidelines like RoHS. The introduction of the online portal has fundamentally changed the nature of these compliance audits, making them more data-driven and effective at detecting fraud. An auditor can now cross-reference a recycler’s certificate generation with a producer’s purchase data, thereby verifying that the “certificate trail must line up with physical flows”. This data-driven approach makes it significantly harder for entities to engage in “greenwashing” and provides a higher level of confidence in the reported data.

## CONSEQUENCES OF VIOLATION

Failure to comply with the e-waste rules can result in a cascading series of punitive measures. Providing false information, for instance, can lead to the revocation of a business’s registration, a non-refundable environmental compensation fee, and potential prosecution under the Environment (Protection) Act, 1986. The penalties are layered

## ENFORCEMENT, AUDITS, AND THE ENVIRONMENTAL COMPENSATION FRAMEWORK

The E-Waste (Management) Rules, 2022, provide for the levying of “**environmental compensation**” (EC) on non-complying entities, based on the “**polluter pays principle**.” This compensation is an additional penalty to those outlined in the Environment (Protection) Act, 1986. The EC framework is a strategic financial tool designed to incentivize compliance and rectify market failures. The compensation amount is calculated based on the environmental damage caused and

and cumulative, creating a multi-faceted deterrent that is both financially and reputationally damaging. The financial penalty (EC) is an immediate disincentive, while the administrative penalty (revocation of registration) is a business-stopping consequence. Finally, the possibility of criminal prosecution creates a final, severe layer of deterrence. This multi-layered system is designed to make non-compliance a high-risk and non-profitable endeavor.

## ACCIDENT REPORTING AND HAZARDOUS WASTE PROTOCOLS

The e-waste rules are not a standalone framework but are integrated into the broader Hazardous and Other Wastes (Management) Rules, 2016. While the E-Waste (Management) Rules, 2016, contained a specific provision for accident reporting at facilities, the 2022 rules incorporate these facilities under the general hazardous waste framework. An accident at an e-waste facility must be reported immediately to the SPCB. Furthermore, transporters of hazardous e-waste for final disposal must obtain a "No Objection Certificate" from the concerned SPCB for inter-state movement of the waste. This interconnectedness is crucial for compliance officers to understand, as an incident at an e-waste facility will trigger both the specific e-waste rules and the more general hazardous waste regulations, which may have more stringent reporting and handling requirements. This mandates a holistic view of the regulatory landscape for comprehensive compliance.

## SCOPE AND OPPORTUNITIES FOR COMPANY SECRETARIES

A Company Secretary (CS) holds a crucial and expanding role in navigating the E-Waste (Management) Rules, 2022, acting as the central point for compliance, governance, and strategic advisory. Beyond statutory duties, the CS serves as a de facto "Chief Compliance Officer" for the e-waste framework—overseeing registration on the CPCB portal, ensuring accurate filings, and guiding the board on Extended Producer Responsibility (EPR) targets. By advising on partnerships with registered recyclers, leveraging the EPR certificate mechanism, and maintaining meticulous records, the CS helps companies avoid audits and costly Environmental Compensation (EC). This role is only set to grow, as regulators such as SEBI (through BRSR disclosures), the Ministry of Corporate Affairs (through NGRBC and CSR mandates), and stock exchanges like NSE (through ESG indices and listing norms) increasingly integrate sustainability with corporate governance. For CS professionals, this convergence of compliance and sustainability opens new opportunities to position themselves as strategic leaders in responsible corporate growth.

## CHALLENGES AND THE PATH FORWARD

While the E-Waste (Management) Rules, 2022, represent a pivotal moment, their implementation is not without challenges. Integrating the vast informal sector in the system is a challenge. The success of the central government's digital framework is contingent on the state governments' ability to execute a complementary, bottom-up strategy of social and economic transformation. While the CPCB's national portal provides the overarching framework, it is the state governments' role to physically formalize the industry on the ground by providing training, legal recognition, and designated industrial space. The effectiveness of the entire

national e-waste system is a direct measure of how well these two layers of governance—the digital-federal and the physical-state—work in tandem.

The E-Waste (Management) Rules, 2022, mark a pivotal moment in India's journey towards a sustainable and circular economy. By establishing a robust digital and market-based framework, the government has created an ecosystem where environmental responsibility is directly tied to economic viability. Compliance is no longer a simple checkbox but a strategic business function that offers opportunities for risk mitigation, brand enhancement, and competitive advantage. The success of this new system is evident in the remarkable leap in e-waste recovery rates, proving that accountability and scale can coexist.

To navigate this evolving landscape, industry stakeholders are advised to adopt a forward-looking approach. It is recommended that companies integrate e-waste management into every stage of their product lifecycle, from design to reverse logistics. Producers, in particular, should proactively lock in their EPR certificates well before the end of the financial year to avoid price volatility and scarcity. Maintaining meticulous data hygiene and accurate records is paramount, as the CPCB's new digital portal makes timely and accurate reporting the backbone of the entire compliance regime. By embracing these principles, companies can not only fulfill their legal obligations but also lead the transition to a greener, more sustainable, and more competitive electronics industry. This is more than just a regulatory burden; it is a strategic opportunity to build a resilient and responsible business model for the future. It also helps in **advancing India's ESG goals** and the country's commitment to a **circular economy** and **Viksit Bharat @2047**.

## CONCLUSION

The E-Waste (Management) Rules, 2022, are not merely a compliance mechanism but a blueprint for transforming India's digital economy into a circular one. By embedding accountability, transparency, and innovation into the heart of e-waste governance, they signal a paradigm shift from reactive waste handling to proactive resource stewardship. The journey ahead will demand collaboration—between policymakers and industries, between the formal and informal sectors, and between technological innovation and ethical responsibility. If embraced with foresight, these rules can turn today's waste into tomorrow's wealth, positioning India as a global leader in sustainable electronics and driving the nation's long-term vision of inclusive and sustainable growth. For Company Secretaries, whether in practice or in corporate roles, this emerging ecosystem is a new frontier—where compliance, governance, and sustainability converge to create opportunities to act as true alchemists, guiding businesses in converting regulatory duties into enduring value.

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# Coastal Regulation Zone (CRZ) Compliance Framework: A Strategic Imperative for Corporate India - Navigating Environmental Clearances in the New Regulatory Landscape

The evolving Coastal Regulation Zone (CRZ) regulatory framework presents significant compliance challenges and opportunities for Indian corporations operating in coastal areas. This article provides detailed insights into the regulatory architecture, compliance procedures, financial implications, and strategic recommendations for corporate India in the post-2019 CRZ notification era. This comprehensive analysis examines the strategic implications of recent amendments to CRZ notifications, their impact on corporate governance structures, and the pivotal role of Company Secretaries in ensuring regulatory compliance.



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## INTRODUCTION

India's expansive 7,516-kilometer coastline, encompassing nine coastal states and four Union Territories, represents one of the nation's most valuable economic assets. The coastal zone supports critical infrastructure including 12 major ports, 200 minor ports, numerous industrial clusters, tourism destinations, and fishing communities. The economic significance of these areas cannot be overstated – coastal regions contribute approximately ₹14 lakh crores annually to India's GDP through maritime trade, fisheries, tourism, and industrial activities.

The Coastal Regulation Zone (CRZ) Notification, 2019, which superseded the 2011 framework, represents a paradigmatic shift in environmental governance philosophy. This transformation reflects India's commitment to balancing developmental imperatives with ecological preservation while aligning with international best practices in coastal zone management. For corporate India, this regulatory evolution demands enhanced compliance mechanisms, robust governance frameworks, and strategic integration of environmental considerations into core business planning processes.

The regulatory framework's complexity is compounded by the intersection of multiple laws including the Environment Protection Act, 1986, Water (Prevention and Control of Pollution) Act, 1974, Air (Prevention and Control of Pollution) Act, 1981, and various state-specific regulations. This intricate legal landscape necessitates sophisticated compliance strategies that go beyond mere adherence to statutory requirements and embrace proactive environmental stewardship as a competitive advantage.

## HISTORICAL CONTEXT AND REGULATORY EVOLUTION

### • Genesis of Coastal Regulation in India

The concept of coastal regulation in India emerged from the recognition that unplanned development along coastlines posed significant threats to both ecological integrity and human settlements. The devastating impact of natural disasters, including the 2004 Indian Ocean tsunami, further underscored the critical importance of scientifically planned coastal development.

The first comprehensive framework was established through the Coastal Regulation Zone Notification of 1991, which classified coastal areas into four distinct categories (CRZ-I to CRZ-IV) based on ecological sensitivity and development potential. This initial framework, while ground-breaking, faced implementation challenges due to unclear demarcation procedures, lengthy approval processes, and inadequate technical capacity at the state levels.

### • Transition from CRZ 2011 to CRZ 2019

The CRZ Notification 2011 introduced significant improvements including clearer definitions, streamlined procedures, and enhanced focus on livelihood security for coastal communities.

The CRZ Notification 2019 represents the culmination of extensive stakeholder consultations, incorporating

feedback from industry associations, environmental groups, coastal states, and academic institutions. Key philosophical shifts include:

### 1. Developmental Orientation with Environmental Safeguards

- Recognition of coastal areas as engines of economic growth.
- Integration of blue economy principles in regulatory framework.
- Enhanced provisions for sustainable tourism and eco-friendly industries.

### 2. Scientific Approach to Zoning

- Population density-based classification for CRZ-III areas.
- Incorporation of climate change considerations in planning.
- Use of advanced geospatial technologies for accurate mapping.

### 3. Procedural Efficiency

- Digital platform integration through PARIVESH portal.
- Clear timelines for various approval stages.
- Standardized documentation requirements.

### 4. Institutional Strengthening

- Designation of NCSCM as the authoritative technical agency.
- Enhanced capacity building for state-level institutions.
- Regular monitoring and evaluation mechanisms.

The CRZ Notification 2011 introduced significant improvements including clearer definitions, streamlined procedures, and enhanced focus on livelihood security for coastal communities.

## KEY REGULATORY AMENDMENTS AND THEIR IMPLICATIONS

### Amendment 1: Revised Zoning Classifications (2019)

The most significant change involves the sub-classification of CRZ-III areas based on population density:

- CRZ-IIIA (Rural areas with population density >2161/sq.km): 50-meter No Development Zone (NDZ)
- CRZ-IIIB (Rural areas with population density ≤2161/sq.km): 200-meter NDZ

This scientific approach allows for more nuanced development planning while maintaining environmental protection standards.

### Amendment 2: Enhanced Eco-tourism Provisions

The 2019 notification significantly liberalized eco-tourism activities, recognizing their potential for sustainable economic development:

- Temporary tourism facilities permitted on beaches with minimum 10-meter setback from HTL.
- Tree huts and nature trails allowed in CRZ-IA areas under approved tourism plans.
- Streamlined approval processes for eco-tourism projects.

### Amendment 3: Blue Flag Beach Program Integration

Recognition of international beach management standards through:

- Special provisions for Blue Flag certified beaches.
- Enhanced infrastructure development permissions.
- Integrated waste management and environmental monitoring requirements.

### Amendment 4: Digital Governance Implementation

- Mandatory use of PARIVESH portal for all applications.
- Real-time tracking of application status.
- Digital document submission and verification processes.

## DETAILED COMPLIANCE ARCHITECTURE

### a) Central Government Framework

#### – Ministry of Environment, Forest and Climate Change (MoEF&CC)

- Policy formulation and overall oversight.
- Approval of Coastal Zone Management Plans (CZMPs).
- Monitoring of compliance through National Coastal Zone Management Authority (NCZMA).
- Inter-ministerial coordination for coastal development projects.

#### – National Coastal Zone Management Authority (NCZMA)

- Technical review of state CZMPs.
- Resolution of inter-state coastal disputes.
- Monitoring of large-scale coastal development projects.
- Coordination with international agencies on coastal management.

- **National Centre for Sustainable Coastal Management (NCSCM)**
  - Authoritative agency for High Tide Line (HTL) and Low Tide Line (LTL) demarcation.
  - Technical support for CZMP preparation.
  - Capacity building for state agencies.
  - Research and development in coastal management technologies.
- b) **State Government Structure**
- **State Coastal Zone Management Authorities (SCZMA)**
  - State-level regulatory oversight.
  - Review and recommendation of project proposals.
  - Monitoring of compliance within state jurisdiction.
  - Coordination with local authorities and communities.
- **State Environment Impact Assessment Authority (SEIAA)**
  - Environmental clearance for Category 'B' projects.
  - State-specific environmental monitoring.
  - Integration with other state regulatory mechanisms.

## COMPREHENSIVE CORPORATE GOVERNANCE FRAMEWORK

### a) Environmental Risk Governance Committee

Modern corporate governance demands the establishment of specialized committees to address environmental risks:

#### 1. Composition and Mandate:

- Independent directors with environmental expertise.
- Senior management from operations, legal, and finance.
- External advisors including environmental consultants and legal experts.
- Quarterly review meetings with comprehensive risk assessments.

#### 2. Key Responsibilities:

- Development of corporate environmental policy aligned with CRZ requirements.
- Oversight of major project approvals and environmental clearances.

- Review of environmental compliance reports and audit findings.
- Integration of climate risk considerations in business strategy.

### b) Risk Assessment Framework Integration

#### 1. Enterprise Risk Management (ERM) Enhancement:

- Integration of CRZ compliance risks in corporate risk registers.
- Quantitative assessment of potential financial impacts.
- Scenario planning for regulatory changes and enforcement actions.
- Regular stress testing of compliance systems.

#### 2. Strategic Planning Alignment:

- Incorporation of CRZ considerations in annual business planning.
- Long-term capital allocation decisions considering environmental constraints.
- Stakeholder engagement strategies including coastal communities.
- Integration with ESG reporting and sustainability commitments.

## ENHANCED ROLE OF COMPANY SECRETARIES IN CRZ COMPLIANCE

### a) Pre-Compliance Due Diligence

#### 1. Comprehensive Site Assessment:

- Detailed review of project locations against approved CZMPs.
- Verification of Ecologically Sensitive Areas (ESAs) and Critically Vulnerable Coastal Areas (CVCAs).
- Assessment of seasonal variations in coastal boundaries.
- Documentation of baseline environmental conditions.

#### 2. Regulatory Intelligence and Monitoring:

- Systematic tracking of regulatory amendments and clarifications.
- Subscription to government notifications and policy updates.
- Participation in industry consultations and stakeholder meetings.
- Maintenance of regulatory compliance calendars.



## b) Documentation and Record Management

### 1. Systematic Documentation Framework:

- Creation of project-specific compliance files.
- Maintenance of digital repositories for all CRZ-related documents.
- Regular backup and archival systems.
- Integration with corporate document management systems.

### 2. Compliance Certification Process:

- Annual compliance audits by qualified environmental consultants.
- Internal compliance verification protocols.
- Board reporting on compliance status and emerging risks.
- Coordination with statutory auditors for environmental liability assessments.

## c) Stakeholder Communication and Engagement

### 1. Regulatory Liaison Management:

- Regular communication with CZMAs and environmental authorities.
- Proactive disclosure of project developments and modifications.
- Participation in regulatory consultations and policy discussions.
- Coordination with legal counsel for complex compliance issues.

### 2. Community Engagement Protocols:

- Development of community consultation frameworks.
- Regular meetings with local stakeholders and fishing communities.
- Grievance redressal mechanisms and feedback systems.
- Integration with corporate social responsibility programs.

## OPERATIONAL COMPLIANCE MANAGEMENT

### a) Project Lifecycle Compliance Framework

#### Phase 1: Project Conceptualization and Feasibility

- Preliminary CRZ assessment and constraint mapping.
- Integration of environmental considerations in project design.

- Stakeholder identification and preliminary engagement.
- Budgeting for environmental compliance costs.

#### Phase 2: Regulatory Approvals and Clearances

- Preparation and submission of detailed project reports.
- Coordination with authorized mapping agencies.
- Management of inter-agency consultations and approvals.
- Monitoring of application status and timeline compliance.

#### Phase 3: Construction and Implementation

- Implementation of Environmental Management Plans (EMPs).
- Regular monitoring of construction activities and environmental parameters.
- Compliance with specific conditions imposed during clearance.
- Periodic reporting to regulatory authorities.

#### Phase 4: Operations and Maintenance

- Ongoing environmental monitoring and reporting.
- Compliance with operational conditions and restrictions.
- Regular review and updating of environmental management systems.
- Long-term monitoring of ecological impacts.

## FINANCIAL IMPACT ANALYSIS AND COST-BENEFIT FRAMEWORK

### a) Direct Cost Components

#### 1. Application and Processing Fees:

- CRZ clearance application fees: ₹25,000 - ₹2,00,000 depending on project scale.
- Environmental consultant fees: ₹2-8 lakhs per project.
- Authorized agency mapping costs: ₹1-5 lakhs based on area and complexity.
- Legal and regulatory advisory fees: ₹3-15 lakhs annually.

#### 2. Environmental Monitoring and Management:

- Baseline environmental studies: ₹5-25 lakhs.
- Environmental Management Plan implementation: 2-5% of project cost.

- Continuous monitoring systems: ₹2-10 lakhs annually.
- Compliance auditing and certification: ₹1-5 lakhs annually.

### 3. Infrastructure and Technology Investments:

- Environmental monitoring equipment: ₹10-50 lakhs.
- Waste treatment and management systems: 3-8% of project cost.
- Green building and sustainable technology premiums: 5-15% additional cost.
- Digital compliance management systems: ₹5-25 lakhs implementation cost.

#### b) Indirect Cost Implications

##### 1. Opportunity Costs and Delays:

- Average project delay due to regulatory processes: 6-18 months.
- Financing cost impact due to delays: 0.5-2% of project cost.
- Land acquisition premium for compliant locations: 10-30% price differential.
- Insurance premium increases for environmental liability coverage: 15-25% additional cost.

##### 2. Operational Constraints:

- Restricted development potential in coastal areas.
- Seasonal construction limitations during sensitive periods.
- Enhanced community engagement and consultation costs.
- Additional documentation and reporting requirements.

## BUSINESS OPPORTUNITIES AND VALUE CREATION

#### a) Sustainable Development Premium:

##### 1. Access to Green Financing:

- Green bonds and sustainable financing at preferential rates (50-200 basis points lower)
- ESG-focused investor interest and premium valuations
- Carbon credit opportunities through blue carbon projects
- International development finance institution funding access

#### 2. Market Positioning Advantages:

- Premium pricing for eco-certified coastal tourism products (15-25% price premium)
- Enhanced brand value and consumer preference for sustainable businesses
- First-mover advantages in emerging blue economy sectors
- Competitive advantage in corporate client acquisition

#### 3. Innovation and Technology Development:

- Development of proprietary environmental technologies
- Licensing opportunities for sustainable coastal development solutions
- Research and development partnerships with academic institutions
- Government incentives for environmental innovation

## RETURN ON INVESTMENT ANALYSIS

#### a) Quantitative Benefits Assessment:

##### 1. Cost Avoidance:

- Avoidance of environmental penalties and legal costs
- Reduced insurance premiums through proactive risk management
- Prevention of business disruption due to regulatory non-compliance
- Mitigation of reputational risks and associated financial impacts

##### 2. Revenue Enhancement:

- Access to premium market segments valuing sustainability
- Government procurement advantages for compliant organizations
- International market access through environmental certifications
- Long-term asset value preservation through sustainable practices

##### 3. Strategic Value Creation:

- Enhanced stakeholder trust and social license to operate
- Improved access to talent attracted by environmental leadership

- Strengthened relationships with regulatory authorities
- Long-term business sustainability and risk mitigation

## TECHNOLOGY INTEGRATION AND DIGITAL TRANSFORMATION

### a) Digital Compliance Infrastructure: PARIVESH Portal Optimization and Integration:

#### 1. Automated Compliance Management:

- Integration of PARIVESH portal with enterprise ERP systems
- Automated document preparation and submission workflows
- Real-time status tracking and alert systems
- Digital signature and document authentication protocols

#### 2. Advanced Analytics and Reporting:

- Predictive analytics for compliance risk assessment
- Automated generation of regulatory reports and returns
- Dashboard-based monitoring of multiple project compliance status
- Integration with financial reporting systems for cost tracking

### 3. Geospatial Technology Applications: Geographic Information Systems (GIS) Integration:

- High-resolution mapping of project areas and regulatory boundaries
- Overlay analysis of multiple regulatory constraints and opportunities
- Real-time monitoring of environmental parameters through IoT sensors
- Integration with satellite monitoring for continuous compliance verification

#### 4. Remote Sensing and Monitoring:

- Automated detection of unauthorized activities in coastal areas
- Seasonal monitoring of coastal erosion and accretion patterns
- Integration with climate data for long-term planning
- Machine learning algorithms for predictive environmental impact assessment

### b) Artificial Intelligence and Machine Learning Applications

#### 1. Natural Language Processing (NLP) for Regulatory Intelligence:

- Automated analysis of regulatory notifications and amendments
- Extraction of relevant compliance requirements from complex documents
- Intelligent alerting systems for regulatory changes affecting specific projects
- Automated preparation of compliance checklists and action items

#### 2. Predictive Compliance Analytics:

- Machine learning models for predicting approval timelines
- Risk scoring algorithms for project feasibility assessment
- Automated identification of potential compliance gaps
- Intelligent resource allocation for compliance activities

### 3. Blockchain and Distributed Ledger Technologies: Immutable Compliance Records:

- Blockchain-based documentation and certification systems
- Smart contracts for automated compliance milestone tracking
- Transparent stakeholder communication through distributed systems
- Integration with supply chain sustainability tracking

## ESG INTEGRATION AND SUSTAINABLE BUSINESS TRANSFORMATION

### a) Environmental Stewardship Excellence: Climate Change Adaptation and Mitigation:

#### 1. Sea Level Rise Planning:

- Integration of IPCC climate projections in long-term infrastructure planning
- Development of climate-resilient coastal infrastructure designs
- Implementation of nature-based adaptation solutions
- Regular updating of climate risk assessments and mitigation strategies



## 2. Carbon Footprint Management:

- Comprehensive carbon accounting for coastal operations
- Implementation of blue carbon conservation and restoration projects
- Integration with national and international carbon markets
- Development of carbon-neutral operational strategies

## 3. Biodiversity Conservation Leadership

### Ecosystem Service Integration:

- Quantification and valuation of ecosystem services provided by coastal areas
- Implementation of biodiversity offset and conservation programs
- Partnerships with conservation organizations for habitat restoration
- Integration of traditional ecological knowledge in conservation planning

## 4. Marine Protected Area Support:

- Voluntary adoption of marine protected area management principles
- Financial support for community-based conservation initiatives
- Research partnerships for marine biodiversity monitoring
- Advocacy for sustainable marine resource management

## b) Social Responsibility and Community Engagement

### 1. Coastal Community Development:

#### Livelihood Enhancement Programs:

- Skills development and alternative livelihood programs for fishing communities
- Microfinance and entrepreneurship support for coastal women
- Educational infrastructure development in coastal areas
- Healthcare facility establishment and improvement

### 2. Cultural Heritage Preservation:

- Documentation and preservation of coastal cultural traditions
- Support for traditional arts, crafts, and cultural practices

- Integration of cultural tourism with environmental conservation
- Partnerships with academic institutions for cultural research

## 3. Stakeholder Engagement Excellence:

### Participatory Planning Processes:

- Regular community consultations and feedback incorporation
- Transparent communication of project benefits and impacts
- Grievance redressal mechanisms with community representation
- Integration of community priorities in project design and implementation

## c) Economic Sustainability and Blue Economy Development

### 1. Circular Economy Implementation:

#### Waste to Resource Conversion:

- Development of integrated waste management systems
- Implementation of circular economy principles in coastal operations
- Partnerships for waste recycling and resource recovery
- Innovation in marine plastic waste management

### 2. Sustainable Supply Chain Development:

- Promotion of sustainable fishing and aquaculture practices
- Support for eco-certified tourism service providers
- Integration of sustainability criteria in vendor selection and management
- Development of local supplier capacity for sustainable products and services

### 3. Blue Economy Innovation:

#### Marine Technology Development:

- Investment in sustainable marine technology research and development
- Partnerships with technology institutions for innovation
- Development of ocean energy and blue biotechnology applications
- Support for sustainable coastal infrastructure development

## STRATEGIC RECOMMENDATIONS FOR CORPORATE INDIA

### a) Immediate Action Framework (0-12 months)

#### 1. Comprehensive Compliance Audit and Gap Analysis: Internal Assessment:

- Conduct detailed review of all coastal projects and operations
- Identify compliance gaps and potential risks
- Develop prioritized action plans for gap closure
- Establish baseline metrics for ongoing monitoring

#### 2. External Validation:

- Engage qualified environmental consultants for independent assessment
- Conduct peer benchmarking with industry best practices
- Obtain third-party certification for environmental management systems
- Establish relationships with authorized CRZ mapping agencies

### b) Organizational Capacity Building

#### 1. Specialized Training Programs:

- Comprehensive CRZ compliance training for legal and operations teams
- Regular updates on regulatory changes and best practices
- Cross-functional workshops on environmental risk management
- Leadership development in sustainability and environmental stewardship

#### 2. Technology Infrastructure Development:

- Implementation of digital compliance management systems
- Integration with PARIVESH portal and other regulatory platforms
- Development of automated monitoring and reporting capabilities
- Establishment of robust document management and archival systems

### c) Governance Structure Enhancement

#### 1. Board-Level Integration:

- Establishment of Environmental Risk Committee with clear mandate
- Integration of environmental considerations in board agenda and decision-making
- Regular reporting mechanisms for environmental compliance and performance
- Development of environmental policy and strategic framework

### d) Medium-Term Strategic Implementation (1-3 years)

#### 1. Operational Excellence and System Integration

##### Process Optimization:

- Development of standardized procedures for all CRZ compliance activities
- Integration of environmental considerations in all business processes
- Implementation of continuous improvement mechanisms
- Establishment of centers of excellence for environmental management

#### 2. Technology Leadership:

- Investment in advanced environmental monitoring and management technologies
- Development of proprietary solutions for sustainable coastal development
- Partnerships with technology providers for innovation and development
- Integration of artificial intelligence and machine learning in compliance systems

## STAKEHOLDER ENGAGEMENT AND PARTNERSHIP DEVELOPMENT

### 1. Community Partnership Programs:

- Development of long-term community engagement strategies
- Implementation of shared value creation programs
- Establishment of community advisory panels and feedback mechanisms
- Integration of community development with business operations

### 2. Industry Leadership and Collaboration:

- Active participation in industry associations and sustainability initiatives
- Leadership in development of industry best practices and standards
- Collaboration with competitors on common sustainability challenges
- Advocacy for supportive policy frameworks and regulatory improvements

### 3. Innovation and Business Model Evolution

#### Sustainable Innovation Development:

- Investment in research and development for sustainable coastal technologies
- Development of new products and services aligned with blue economy principles
- Integration of circular economy concepts in all operations
- Partnerships with academic institutions and research organizations

e) **Long-Term Transformation Vision (3-10 years)**

- Partnerships with international organizations and development agencies
- Contribution to global sustainability goals and targets

**1. Market Leadership in Sustainable Coastal Development****Thought Leadership:**

- Development of industry-leading sustainability practices and standards
- Publication of research and best practices for broader industry adoption
- Regular participation in national and international sustainability forums
- Recognition as a benchmark organization for coastal sustainability

**Strategic Positioning:**

- Transition from compliance-focused to regenerative business models
- Development of products and services that enhance coastal ecosystem health
- Integration of sustainability as a core competitive advantage
- Establishment as preferred partner for sustainable coastal development

**2. Ecosystem Impact and Legacy Creation****Positive Environmental Impact:**

- Net positive impact on coastal ecosystem health and biodiversity
- Significant contribution to climate change mitigation and adaptation
- Leadership in blue carbon conservation and restoration
- Development of replicable models for sustainable coastal development

**Social and Economic Transformation:**

- Demonstrable improvement in coastal community livelihoods and well-being
- Significant contribution to local and national economic development
- Creation of sustainable employment opportunities in coastal areas
- Preservation and enhancement of cultural heritage and traditions

**3. Global Recognition and Influence****International Leadership:**

- Recognition as global leader in sustainable coastal development
- Influence in international policy development and best practice sharing

**CONCLUSION**

The Coastal Regulation Zone regulatory framework represents a fundamental paradigm shift that demands comprehensive transformation of corporate governance, operational processes, and strategic thinking. This transformation extends far beyond mere regulatory compliance to encompass a holistic reimagining of how businesses can create value while preserving and enhancing coastal ecosystems.

For Company Secretaries, this regulatory evolution presents both unprecedented challenges and extraordinary opportunities. The complexity of the regulatory framework demands sophisticated compliance strategies, advanced technological solutions, and deep integration with corporate governance systems. However, organizations that successfully navigate this transformation will gain significant competitive advantages in an increasingly environmentally conscious global marketplace.

The financial implications of CRZ compliance, while substantial, must be viewed in the context of long-term value creation and risk mitigation. The direct costs of compliance are offset by significant benefits including access to green financing, premium market positioning, risk reduction, and enhanced stakeholder trust. Organizations that view environmental compliance as an investment rather than a cost will be better positioned to capture these benefits.

The integration of advanced technologies, including artificial intelligence, machine learning, and blockchain, offers unprecedented opportunities to transform compliance from a reactive, administrative function to a proactive, strategic capability. Digital transformation in environmental compliance not only reduces costs and improves efficiency but also enables new forms of stakeholder engagement and transparency.

The ESG integration imperative demands that environmental compliance be viewed as part of a broader sustainability strategy that encompasses social responsibility and governance excellence. This holistic approach creates synergies between compliance activities and broader business objectives, resulting in more effective and efficient outcomes.

Looking forward, the regulatory landscape will continue to evolve in response to climate change, technological advancement, and changing societal expectations. Organizations that build adaptive capacity, maintain regulatory intelligence, and invest in continuous improvement will be better positioned to thrive in this dynamic environment.

The role of Company Secretaries in this transformation cannot be overstated. As custodians of corporate governance and compliance, they must lead the integration of environmental considerations into all aspects of corporate decision-making. This requires not only technical expertise in environmental



Coastal Regulation Zone (CRZ) Compliance Framework: A Strategic Imperative for Corporate India - Navigating Environmental Clearances in the New Regulatory Landscape

law and regulation but also strategic thinking, stakeholder engagement skills, and change management capabilities.

The future belongs to organizations that can seamlessly integrate regulatory compliance with business excellence, creating sustainable value while contributing to India's vision of becoming a global leader in environmental governance and sustainable development. The CRZ regulatory framework provides the foundation for this transformation, but success will depend on the vision, commitment, and execution capability of corporate leaders.

As India continues its journey towards becoming a \$5 trillion economy, the sustainable development of coastal areas will play a crucial role in achieving this ambitious goal. The organizations that embrace the CRZ regulatory framework as an enabler of sustainable growth, rather than a constraint on development, will be the ones that create lasting value for all stakeholders while preserving India's precious coastal heritage for future generations.

The transformation required is substantial, but so are the rewards for those who commit to excellence in environmental stewardship. The time for action is now, and the opportunity for leadership in sustainable coastal development has never been greater.

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### Disclaimer and Source Attribution

This article incorporates analysis of official government documents, regulatory notifications, technical guidelines, and industry best practices. The data captured and compliance requirements are derived from official sources and current market intelligence as of August 2025. Readers are advised to refer to current regulatory notifications and seek professional advice for specific compliance requirements.



# Labour Laws in Practice: Licensing, Registration and Regulation: A Company Secretary Perspective

Labour regulation in India safeguards worker dignity while enabling competitive enterprise. With the consolidation of more than forty central enactments into four Labour Codes, compliance is moving from a fragmented, inspection-heavy regime to a digitised, system-driven architecture. Promoting ease of doing business in India depends on a strong, transparent, and well-understood regulatory framework. Among the countless compliance areas, Labour Laws ensure the welfare, safety, and fair treatment of workers, while Environmental Laws safeguard natural resources and public health. Together, they shape a sustainable business ecosystem. For Company Secretaries (CSs), the challenge is twofold — ensuring legal adherence while also integrating compliance into a company's operational culture. This article examines the licensing, registration, and regulatory frameworks under Labour Laws, outlines practical compliance challenges, and offers strategies, illustrated with industry examples, to help CS professionals be proactive compliance leaders. The analysis aims to provide not only a theoretical understanding but also actionable insights for practitioners working across industries.



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## INTRODUCTION

**L**abour laws in India have been shaped by two persistent imperatives: protecting worker welfare and enabling industrial growth. For much of the twentieth century, the regulatory philosophy was granular—multiple statutes addressing wages, social security, safety, and dispute settlement. The outcome was a dense ecosystem of registrations, returns, inspections and separate authorities. The ongoing consolidation into four Labour Codes—the Code on Wages (2019), the Industrial Relations Code (2020), the Code on Social Security (2020) and the Occupational Safety, Health and Working Conditions Code (2020)—seeks to simplify, reduce duplication and promote formalisation. Yet, day-to-day compliance remains complex, especially for multistate businesses and enterprises that use contractors extensively. In this landscape the Company Secretary (CS) is uniquely positioned to integrate legal obligations with governance systems, data checks and Board level oversight.

## FROM FRAGMENTATION TO CODES: A BRIEF EVOLUTION

India's labour framework has evolved in three phases. First, pre-independence laws like the Factories Act, 1881 and Trade Unions Act, 1926 acknowledged industrialisation but gave limited welfare guarantees. Second, post-independence welfare legislation—Factories Act, 1948; Employees' State Insurance Act, 1948; Employees' Provident Funds Act, 1952; Minimum Wages Act, 1948; Industrial Disputes Act, 1947—embedded social justice into the industrial project. Third, liberalisation and globalisation demanded simplification; the four Labour Codes are the culmination of the above Acts. Courts simultaneously constitutionalised labour rights, reading dignity, safety and fair wages into Article 21. The effect is clear: compliance is not merely statutory—it is part of fundamental rights.

## THE COMPLIANCE LANDSCAPE OF TODAY: THREE LAYERS

In every industry, compliance responsibilities usually fall into three stages:

- **Entry (licensing & registration):** Factory licensing under the Factories Act, 1948, registration/licensing for principal employers and contractors under the Contract Labour (Regulation and Abolition) Act, 1970, Shops & Establishments registration for offices, professional tax wherever applicable, and state-specific registrations (e.g., labour welfare funds).
- **Operations (ongoing compliance):** Minimum wages, timely wages, overtime and leave; EPF and ESIC contributions; maintenance of registers; issuance of payslips; safety and welfare facilities; POSH committees; periodic returns and digital filings.

- **Events (special compliance):** Introduced or amended shifts, layoffs, retrenchments, closures, change in ownership, accidents, inspections, and responses to show cause notices. A robust internal calendar with owner-wise actions helps avoid slippages across these layers.

## LICENSING AND REGISTRATION ESSENTIALS

- **Factory Licensing & Registration:** Manufacturing premises generally require plan approval and factory licensing. Prerequisites often include a fire safety No Objection Certificate, building stability and electrical safety certificates. Operating without mandatory permissions invites sealing, prosecution or both; several municipal bodies have closed noncompliant units in recent years.
- **Contract Labour (Regulation & Abolition) Act, 1970- Registration and Contractor Licensing:** Principal employers engaging contract labour must register the establishment; contractors require licences indicating worker numbers and validity. Mandatory records include employment cards, muster rolls, wage and overtime registers, and remittance proofs for statutory benefits. Wherever contract labour is significant, the CS should insist on a vendor governance protocol; licence validity tracking, wage bill verification against attendance, and random worker interviews.
- **Shops and Establishments Registration:** Commercial offices—Information Technology (IT)/Information Technology Enabled Services (ITES) centres, sales branches, logistics hubs—must register under state Shops & Establishments laws. These regulate working hours, weekly holidays, leave, and opening/closing times; state rules for nightshift work (e.g., women's safety, transport) need careful attention.
- **Standing Orders / HR Policy Architecture:** Certified Standing Orders spell out classification of workmen, attendance, leave, misconduct and disciplinary procedures. Up-to-date standing orders improve predictability, prevent arbitrary decisions and provide a defensible basis during inspections and litigation.

Labour laws in India have been shaped by two persistent imperatives: protecting worker welfare and enabling industrial growth.

Timely and fair wage disbursement is the cornerstone of industrial peace. Despite automation, many companies face compliance issues due to misclassification of workers. In a recently resolved case, a firm was served a show-cause notice by the Labour Enforcement Officer in Jodhpur in March 2022 under the Contract Labour (Regulation and Abolition) Act, 1970. Multiple violations were cited—including missing wage registers, absence of employment cards, and lack of mandatory notices in the workplace. Proactively, the company engaged the Chief Judicial Magistrate's (CJM) court and settled the matter by paying fine on June, 2025, after clarifying compliance status.

This case highlights how a Company Secretary's vigilant oversight—through audits, documentation checks, and responsible legal engagement—can prevent escalations and minimize compliance costs.

Similarly, in **June 2025, services at an ESIC Hospital, in Nagpur** were severely disrupted when over 100 contract workers—including nurses, technicians, pharmacists, and sanitation staff—launched a strike due to non-payment of salaries for three consecutive months. These employees, engaged through a contractor, had repeatedly raised complaints but received no relief until resorting to protest.

The agitation impacted a facility serving huge insured workers and dependents, highlighting how lapses in contractor wage payments can cripple essential services and damage institutional credibility. For Company Secretaries, this incident reinforces the importance of Monitoring wage disbursements where contract labour is engaged, incorporating strict compliance clauses in agreements with contractors, ensuring

timely escalation of wage-related lapses to management and the board and safeguarding not just statutory compliance but also service continuity and institutional reputation.

A Company Secretary led control stack typically includes: (a) master data hygiene (names, UAN, insurance numbers); (b) automated contribution files with maker checker; (c) challan reconciliation and exception dashboards; (d) documented responses to employee queries; and (e) vendor oversight where payroll is outsourced. Inspection stories and news reports repeatedly show that wage register lapses and delayed payments trigger unrest and enforcement. Embedding payroll compliance into governance is therefore both a legal necessity and a retention strategy.

## PAYROLL AND WAGES

Accurate payroll is the backbone of compliance. Under the law, employers must pay at least the notified minimum wages, follow rules for deductions and overtime, and issue payslips. On social security, EPF applies to eligible establishments and employees; ESIC provides health and cash benefits to entitled employees. Common failure points include wrong wage component structuring, delayed challans, and mismatch between HRIS data and statutory portals.

## SOCIAL SECURITY LEGISLATIONS

Social security compliance is more than a statutory formality; it builds trust with employees. The Employees' Provident Funds and Miscellaneous Provisions Act, 1952, the Employees' State Insurance Act, 1948 and the Maternity Benefit Act, 1961 form the social security net. Several Indian companies including leaders in IT are now offering



expanded retiring benefits such as the National Pension System (NPS) and corporate superannuation schemes in addition to statutory Provident Fund and Gratuity. These enhancements are being made to strengthen employee value propositions and improve retention among skilled professionals. Such measures highlight how statutory compliance can evolve into competitive advantage.

## INDUSTRIAL RELATIONS AND DISPUTE MANAGEMENT

The Industrial Disputes Act, 1947 provides a structured framework for dispute resolution, retrenchment, and closure. Compliance is not limited to filing notices; it requires proactive engagement with trade unions and workers. The Industrial Employment (Standing Orders) Act, 1946 requires companies to formalise conditions of service. For CSs, ensuring clarity in service rules reduces litigation.

The Industrial Relations Code updates the law on trade unions, standing orders and dispute resolution. Fixed-term employment offers flexibility while ensuring parity of benefits with permanent workers during tenure. Strikes and lockouts are regulated with notice requirements; establishments above thresholds require prior permission for layoffs/retrenchment/closure.

A CS can derisk change initiatives—automation, shift restructuring, outsourcing—by ensuring prior consultation, transparent communication and documentation of alternatives considered. Where negotiations occur, the Company Secretary should maintain minutes, check statutory timelines, and align management conduct with standing orders and policies.

## LAW OF WELFARE AND WORKING CONDITIONS

The Factories Act, 1948 mandates not just licensing but also ongoing obligations such as health, safety, and working conditions. Beyond paperwork, the spirit of the Factories Act, 1948 lies in ensuring humane treatment of workers.

The safety, health and welfare conditions place non-negotiable obligations on ventilation, lighting, sanitation, restrooms, canteens, crèches (where thresholds apply), first aid, machine guarding and training. Fire safety deserves special attention: obtain and renew NOCs on time, conduct evacuation drills and maintain extinguishers, hydrants and alarms. A single incident can shut operations, injure workers and damage reputation. The CS should champion a quarterly safety committee, link incident reports to Board dashboards, and ensure audit findings convert into budgeted corrective actions with owners and due dates.

**In 2024, four industrial units in the Chikhali and Talwade areas of Pimpri-Chinchwad were sealed by Pimpri-Chinchwad Municipal Corporation**

**(PCMC) for failing to comply with fire safety norms, even after receiving multiple notices.** Their water and electricity supplies were disconnected to enforce compliance. This real incident underscores the importance of proactive safety audits and compliance monitoring by Company Secretaries to avoid operational shutdowns.

The Contract Labour (Regulation and Abolition) Act, 1970 requires registration of the principal employer and licensing of contractors. Failure here often leads to disputes over worker benefits and liabilities. CS professionals often play a critical role in drafting agreements that balance employer interests with statutory obligations.

The Child and Adolescent Labour (Prohibition and Regulation) Act, 1986 prohibits hazardous child labour and regulates adolescent labour. Companies in supply chains, especially in textiles and handicrafts, must be vigilant, as global buyers increasingly conduct social audits.

## JUDICIAL PRECEDENTS AND PRINCIPLES SHAPING COMPLIANCE

Indian courts have progressively constitutionalised labour welfare. Key guideposts include:

- **People's Union for Democratic Rights v. Union of India (1982):** In the *Asiad Workers' Case*, the Supreme Court held that paying workers below the statutory minimum wage amounts to *forced labour* under Article 23 and violates the right to life with dignity under Article 21. This precedent elevated wage compliance from a mere statutory requirement to a constitutional obligation.
- **Bandhua Mukti Morcha v. Union of India (1984):** The Supreme Court expanded labour welfare under Article 21, emphasising that worker dignity is inseparable from industrial growth. The Supreme Court ruled that bonded labour is a direct violation of human dignity and must be eradicated. It held that Article 21, right to life, includes the right of workers to live free from exploitation, thereby embedding labour welfare into constitutional rights.
- **M.C. Mehta v. State of Tamil Nadu (1996):** Child labour in hazardous processes is prohibited with rehabilitation directions. The Supreme Court banned child labour in hazardous industries like fireworks, linking it to the fundamental right to life under Article 21 and the prohibition under Article 24. It also mandated rehabilitation measures, ensuring that compliance extended beyond prohibition to long-term welfare.

These decisions enlarge the canvas of compliance beyond bare statutory text. When a CS elevates wage, safety and grievance systems, the company protects not only itself but also fundamental rights.

## ROLE OF THE COMPANY SECRETARY IN COMPLIANCE

The role of a CS in compliance goes far beyond just keeping registers and files up to date. A strong approach combines three aspects: clear strategy and guidance from the top, reliable systems and data to track compliance, and a culture where employees and contractors understand and follow the rules. When these three work together, compliance becomes smoother, stronger, and more meaningful for the whole organisation.

### a. Strategy and Governance:

- Maintain a live map of applicable laws like Factories Act, Contract Labour Act, etc across states and track amendments and thresholds.
- Present a quarterly dashboard to the Board/Audit Committee: registrations/licences, inspections, notices, cases, and remediation status.
- Establish systems for payroll compliance, wage disbursement, and social security contributions.
- Integrate labour metrics into ESG narratives—attrition, training hours, safety incidents and gender diversity.
- Engage with regulators through pre-consultation to avoid last-minute compliance hurdles.
- Drive awareness and training among employees and contractors.

### b. Systems and Data:

- Collapse Human Resource Information System (HRIS), time office and payroll into an integrated platform; standardise wage components to reduce disputes over PF exclusions/inclusions.
- Build exception monitoring—late challans, negative PF balances, missing UANs, prolonged contractor licence gaps.
- Create an inspection kit: certified copies of licences, registers, policy documents, previous replies and contact lists.

### c. Culture and Capability:

- Train line managers and contractors on wage rules, safety basics and documentation.
- Use preshift checklists during peak seasons; conduct periodic mock drills and employee feedback sessions.
- Establish anonymous grievance channels and track closures with timelines.

## BEST PRACTICES AND COMPLIANCE STRATEGIES

Adopting proactive strategies can transform compliance into a value-adding function:

- **Early Risk Mapping:** Consider labour implications in site selection, automation choices and vendor strategy; and allocate budget for welfare facilities upfront.
- **Supplier Stewardship:** Flow down wage, safety and social security clauses to contractors; audit high risk vendors and escrow wage payments wherever appropriate.
- **Digital by Default:** Use e-registers and digital signatures where permitted; archive payroll and inspection records in a secure DMS with audit trails.
- **Scenario Planning:** Maintain playbooks for inspections, strikes and accidents with defined roles, holding statements and liaison protocols.
- **Transparent Engagement:** Publish employee charters and grievance mechanisms; engage with unions and worker representatives in good faith.

## CONCLUSION

Labour compliance is not a silo; it is a statement of values and a competitive advantage. The Company Secretary who embeds law into governance, data and culture earns trust from boards, investors, regulators and most importantly workers. Done well, compliance lowers friction, reduces disputes, stabilises supply chains and builds a reputation that attracts both talent and capital.

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- i. *Consolidation into four Labour Codes: official publications and Ministry of Labour notifications provide the current text and state rules.*
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- iii. *Employees' Provident Funds & Miscellaneous Provisions Act, 1952.*
- iv. *Factories Act, 1948.*
- v. *Relevant case law and circulars as published by the Ministry of Labour & Employment.*
- vi. *Supreme Court judgments frequently consulted in this article include: People's Union for Democratic Rights v. Union of India (1982); Bandhua Mukti Morcha v. Union of India (1984); and M.C. Mehta v. State of Tamil Nadu (1996). These decisions constitutionalise wage justice, dignity at work and protection of children.*
- vii. *Websites viz., The Times of India, Hindustan Times, NSE Archives, The Economic Times.*





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# 3

## RESEARCH CORNER



- Labour Welfare and Working Conditions in India: A Legal and Regulatory Analysis

# Labour Welfare and Working Conditions in India: A Legal and Regulatory Analysis

Labour laws encompass a set of regulations that pertain to the legal rights of workers and the limitations placed upon them and their organizations. Consequently, it plays a crucial role in governing various facets of the interactions among trade unions, employers, and employees. This article reviews and interprets the key provisions under laws related labour welfare and working conditions in India.



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## INTRODUCTION

**L**abour welfare and working conditions are foundation to a just and equitable society. In India, where the Labour force exceeds 500 million people, the diversity of employment—from high-tech formal jobs to informal rural Labour—poses unique challenges in ensuring fair treatment, safety, and dignity at work. The Indian Constitution, through the Directive Principles of State Policy (Articles 39, 41, 42, and 43), envisions a framework where workers are protected from exploitation and provided with humane working conditions, maternity relief, and a living wage.

### • Historical Evolution of Labour Laws

India's Labour laws have evolved through three distinct phases:

1. **Colonial Era:** Laws like the Factories Act, 1881 were introduced primarily to regulate working hours and conditions in British-owned factories. These laws were limited in scope and focused more on industrial efficiency than worker welfare.
2. **Post-Independence Reforms:** After 1947, India adopted a welfare-centric approach. The Factories Act, 1948, was a landmark legislation that consolidated earlier laws and introduced comprehensive provisions for health, safety, and welfare.
3. **Liberalization and Globalization (1991 onwards):** Economic reforms led to a surge in contract Labour, outsourcing, and informal employment. This period saw increased debate around Labour flexibility versus worker protection.

### • Labour Force Composition in India

Category	Estimated Workers (2024)	% of Total Workforce
Formal Sector	170 million	34%
Informal Sector	410 million	66%
Contract Labour	80 million	16%
Child Labour (illegal)	~10 million	~2%

*Source: Ministry of Labour and Employment, NSSO, ILO*

### • Global Context

Country	Minimum Working Age	Contract Labour Regulation	Child Labour Penalties
India	14 (non-hazardous)	Regulated under CLRA Act	Rs. 50,000 + 2 years jail
Bangladesh	14	Weak enforcement	Fine only
Brazil	16	Strong union protections	Jail + rehabilitation
South Africa	15	Mandatory registration	Fine + community work

*Source: Ministry of Labour and Employment, NSSO, ILO*

## THE FACTORIES ACT, 1948

### 1. Objectives

The Factories Act, 1948 was enacted to regulate Labour in factories, focusing on:

- Health, safety, and welfare of workers.
- Working hours and leave entitlements.
- Employment of young persons and women.

It applies to premises where 10 or more workers are employed with power, or 20 or more without power.

### 2. Key Provisions

#### • Health and Safety (Sections 11–41)

- Cleanliness, ventilation, lighting.
- Safe disposal of waste and effluents.
- Precautions against dangerous fumes and explosive substances.



- ♦ Fencing of machinery and provision of protective gear.
- ♦ Safety officers required in factories with 1,000+ workers.

### • Welfare Measures (Sections 42–50)

- ♦ Facilities for washing, sitting, storing clothes.
- ♦ First-aid appliances and dispensaries.
- ♦ Canteens (250+ workers), crèches (30+ women workers).
- ♦ Welfare officers (500+ workers).

### • Working Hours and Leave (Sections 51–66)

- ♦ Maximum 48 hours/week.
- ♦ One weekly holiday.
- ♦ Overtime wages at twice the ordinary rate.
- ♦ Annual leave with wages after 240 days of work.

### • Employment Restrictions

- ♦ Prohibits employment of children under 14.
- ♦ Regulates working hours for adolescents and women.
- ♦ Restricts night shifts for women and young persons.

### 3. Licensing and regulating requirements

Under Section 6 of the Factories Act, 1948, factory owners must obtain a license to operate. The process includes:

- ♦ Submission of building plans for approval.
- ♦ Registration with the Chief Inspector of Factories.
- ♦ Annual renewal of license.
- ♦ Display of license at the premises.

### 4. Documents Required:

- ♦ Form 2 (Application for License).
- ♦ Site plan and layout.
- ♦ Details of machinery and workers.
- ♦ Proof of ownership or lease.

### 5. Legal Interpretation

In *M.C. Mehta v. State of Tamil Nadu* (1996), the Supreme Court emphasized the need for strict enforcement of safety norms, especially in hazardous industries. The judgment led to increased scrutiny of compliance in chemical and manufacturing sectors.

In *Rajangam v. State of Tamil Nadu* (1992), the Supreme Court upheld the right of workers to form unions and demand better working conditions under the Act.

## CONTRACT LABOUR (REGULATION AND ABOLITION) ACT, 1970

### 1. Objectives and Scope

The Contract Labour (Regulation and Abolition) Act, 1970 was enacted to regulate the employment of contract Labour in certain establishments and to provide for its abolition in specific cases. The Act applies to:

- ♦ Every establishment in which 20 or more workmen are employed on any day of the preceding 12 months as contract Labour.
- ♦ Every contractor who employs or has employed 20 or more workmen on any day of the preceding 12 months.

### 2. The Act aims to:

- ♦ Prevent exploitation of contract workers.
- ♦ Ensure basic welfare and working conditions.
- ♦ Regulate licensing and registration of contractors and principal employers.

### 3. Definitions

- ♦ Contract Labour: A workman hired through a contractor to perform work in an establishment.
- ♦ Principal Employer: The owner or manager of the establishment who hires contract Labour through a contractor.
- ♦ Contractor: A person who supplies contract Labour for any work in an establishment.

### 4. Licensing and Registration Requirements

Requirement	Principal Employer	Contractor
Registration with Labour Commissioner	☑	☒
License to employ contract Labour	☒	☑
Renewal of license annually	☒	☑
Display of registration certificate	☑	☒
Maintenance of wage and attendance registers	☑	☑

Source: Ministry of Labour and Employment

A collaborative approach—combining legal reform, technological innovation, and grassroots empowerment—can transform India's Labour landscape into one that is safe, fair, and future-ready.

Contractors must submit Form IV for license application and maintain records under Rule 75 of the CLRA Rules. Principal employers must register using Form I and ensure compliance with welfare provisions.

### 5. Contract Labour Licensing

Contractors employing 20 or more workers must obtain a license under Rule 21 of the CLRA Rules. Requirements include:

- ♦ Application in Form IV.
- ♦ Payment of license fee based on number of workers.
- ♦ Maintenance of registers (wages, attendance, overtime).
- ♦ Submission of annual returns in Form XXV.

Principal employers must register using Form I and ensure compliance with welfare provisions.

## COMPLIANCE AUDITS

### 1. Labour department's conduct:

- ♦ Annual audits of registered establishments.
- ♦ Surprise inspections for unregistered units.
- ♦ Review of wage records, safety measures, and welfare facilities.

### 2. Digital platforms like the Shram Suvidha Portal enable:

- ♦ Unified Labour compliance reporting.
- ♦ Online registration and license renewal.
- ♦ Real-time grievance tracking.

## DATA OVERVIEW

Employment Trends (2020–2024).

Year	Formal Sector Workers	Informal Sector Workers	Contract Labour
2020	150 million	390 million	70 million
2022	160 million	400 million	75 million
2024	170 million	410 million	80 million

*Source: Ministry of Labour and Employment*

Violations and Penalties (2023)

Law	Violations Reported	Penalties Imposed
Factories Act	12,500	Rs. 45 crore
CLRA Act	8,200	Rs. 28 crore
Child Labour Act	3,900	Rs. 12 crore

*Source: Ministry of Labour and Employment*

## WELFARE PROVISIONS

The Act mandates the following welfare measures:

- ♦ Provision of drinking water, restrooms, and canteens.
- ♦ Payment of wages through bank transfer or in presence of authorized representative.
- ♦ Equal pay for equal work.
- ♦ Medical facilities and protective equipment.
- ♦ Crèches for establishments employing 20+ female workers.

## LEGAL INTERPRETATION AND DEBATES

In *Steel Authority of India Ltd. v. National Union of Waterfront Workers* (2001), the Supreme Court ruled that abolition of contract Labour under Section 10 does not automatically result in absorption of workers by the principal employer. This judgment clarified that while the Act aims to protect contract workers, it does not guarantee permanent employment.

In *Air India Statutory Corporation v. United Labour Union* (1997), the Supreme Court had earlier held that contract workers should be absorbed upon abolition. The 2001 judgment reversed this, leading to ongoing debate about job security and employer obligations.

## SECTOR WISE DATA (2024 ESTIMATES)

Sector	Contract Labour Employed	% of Workforce
Manufacturing	42 million	42%
Construction	65 million	65%
IT & Services	18 million	18%
Mining	58 million	58%

*Source: Ministry of Labour and Employment*

## AUDIT FINDINGS OF CONSTRUCTION SECTOR IN DELHI NCR

A 2022 audit by the Delhi Labour Department found:

- ♦ 60% of construction sites lacked proper registration.
- ♦ 45% of contractors did not provide safety gear.
- ♦ 30% of workers were paid below minimum wage.

Following the audit, the Delhi government launched a compliance drive, resulting in:

- ♦ Registration of 1,200 new contractors.
- ♦ Issuance of 800 safety violation notices.
- ♦ Creation of a mobile app for worker complaints.

## GIG ECONOMY AND PLATFORM WORKERS

While not traditionally covered under CLRA, gig workers (e.g., delivery riders, app-based drivers) face similar issues:

- ♦ No formal contracts.
- ♦ Lack of social security.
- ♦ No access to grievance redressal.

In 2023, Rajasthan became the first state to pass a Platform-Based Gig Workers Welfare Act, mandating:

- ♦ Registration of gig platforms.
- ♦ Creation of a welfare board.
- ♦ Insurance and pension schemes for gig workers.

This move has sparked national debate on expanding the scope of Labour laws to include digital and platform-based employment.

## CHILD LABOUR (PROHIBITION AND REGULATION) ACT, 1986

### 1. Objectives and Scope

The Child Labour (Prohibition and Regulation) Act, 1986 was enacted to prohibit the engagement of children in certain employments and to regulate the conditions of work in others. It applies to:

- ♦ Children below the age of 14 years.
- ♦ Adolescents aged 14–18 years (as per 2016 amendment).

**The Act aims to:**

- ♦ Eliminate child Labour in hazardous occupations.
- ♦ Regulate working conditions in non-hazardous sectors.
- ♦ Promote education and rehabilitation for affected children.

### 2. Definitions

- ♦ Child: A person who has not completed 14 years of age.
- ♦ Adolescent: A person aged between the age of 14 to 18 years.
- ♦ Hazardous Occupation: Any occupation or process declared hazardous under the Act or other laws.

### 3. Amendments in 2016

The **Child and Adolescent Labour (Prohibition and Regulation) Act, 2016** introduced major changes:



- ♦ Complete prohibition of employment of children below the age of 14 years in any occupation or process.
- ♦ Prohibition of adolescents in hazardous occupations and processes.
- ♦ Exceptions for children working in family enterprises after school hours.
- ♦ Enhanced penalties for violations.

### 4. Key Provisions

- ♦ Section 3: Prohibits employment of children in all occupations.
- ♦ Section 3A: Prohibits employment of adolescents in hazardous occupations.
- ♦ Section 14: Prescribes penalties—Rs. 20,000 to Rs. 50,000 fine and/or imprisonment up to 2 years.
- ♦ Section 14A: Mandates rehabilitation of rescued children.

### 5. Enforcement Mechanisms

- ♦ Inspections by Labour officers and district magistrates.
- ♦ Rescue operations coordinated with NGOs and police.
- ♦ Rehabilitation through the National Child Labour Project (NCLP).
- ♦ Integration with Right to Education Act, 2009.

### 6. Case Study: Carpet Industry in Bhadohi, Uttar Pradesh

In 2018, some NGOs uncovered widespread child Labour in carpet weaving units:

- ♦ Children aged 8–13 years were working 10–12 hours/day.



- ♦ There was poor lighting, ventilation, and sanitation.
- ♦ Children had no access to education.

#### Legal action led to:

- ♦ Closure of 300 illegal units.
- ♦ Rescue of 5,000+ children.
- ♦ Enrolment in bridge schools under NCLP.
- ♦ International pressure from buyers in Europe and the US.

### 7. Case Study: Firecracker Industry in Sivakasi, Tamil Nadu

Sivakasi has long been associated with child Labour in firecracker manufacturing. A 2015 investigation revealed:

- ♦ Children handling hazardous chemicals.
- ♦ Frequent injuries and fatalities.
- ♦ Lack of protective gear.

#### Following Supreme Court intervention:

- ♦ Strict inspections were mandated.
- ♦ Licenses of 120 units were revoked.
- ♦ Rehabilitation camps were set up.
- ♦ Awareness campaigns launched in schools.

### 8. Rehabilitation Programs

The National Child Labour Project (NCLP) provides:

- ♦ Bridge education centers.
- ♦ Vocational training.
- ♦ Health check-ups.
- ♦ Stipends for rescued children.

#### As of 2023:

- ♦ 3,000+ NCLP centres are operational.
- ♦ 1.2 million children rehabilitated since inception.
- ♦ Rs. 150 crore allocated in Union Budget.

### 9. Legal Interpretation

In *M.C. Mehta v. State of Tamil Nadu* (1996), the Supreme Court directed the government to:

- ♦ Identify hazardous industries employing children.
- ♦ Impose fines on offending employers.
- ♦ Use fines for rehabilitation and education.

In *Bandhua Mukti Morcha v. Union of India* (1984), the Supreme Court recognized bonded child Labour as a violation of fundamental rights under Articles 21 and 23.

## CONCLUSION

India's Labour laws reflect a strong commitment to social justice, worker protection, and inclusive growth. The Factories Act, CLRA Act, and Child Labour Act form the backbone of this legal framework, addressing health, safety, welfare, and dignity at work. However, the effectiveness of these laws depends on robust enforcement, digital modernization, and active participation from employers, workers, and civil society.

As India continues to industrialize and digitize, labour welfare must remain a priority. A collaborative approach—combining legal reform, technological innovation, and grassroots empowerment—can transform India's Labour landscape into one that is safe, fair, and future-ready.

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- i. *Bandhua Mukti Morcha v. Union of India*, AIR 1984 SC 802
- ii. *Delhi Labour Department Compliance Audit Report* (2022)
- iii. *International Labour Organization (ILO) Reports on India*
- iv. *M.C. Mehta v. State of Tamil Nadu*, AIR 1997 SC 699
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- vi. *NSSO Employment-Unemployment Surveys*
- vii. *Rajasthan Platform-Based Gig Workers Welfare Act* (2023)
- viii. *Shram Suvidha Portal* – <https://shramsuvudha.gov.in>
- ix. *Steel Authority of India Ltd. v. National Union of Waterfront Workers*, AIR 2001 SC 3527
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- xii. *The Factories Act, 1948* – Ministry of Labour and Employment



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# 4

## LEGAL WORLD



- MOHAN LAL & ANR v. GRAIN CHAMBER LTD., MUZAFFARNAGAR & ORS [SC]
- SINCERE SECURITIES PRIVATE LIMITED v. CHANDRAKANT KHEMKA & ORS [SC]
- IL&FS FINANCIAL SERVICES LIMITED v. ADHUNIK MEGHALAYA STEELS PRIVATE LTD [SC]
- RAGHUNATH PATIL, PRESIDENT OF SHETKARI SANGHATANA v. RASHTRIYA CHEMICALS AND FERTILIZERS LTD [CCI]
- CH. JOSEPH v. THE TELANGANA STATE ROAD TRANSPORT & ORS. [SC]
- XPRO INDIA LIMITED v. THE STATE OF WEST BENGAL & ORS. [CAL]
- KAMINI SHARMA v. STATE OF HIMACHAL PRADESH & ORS. [HP]
- THE ASSISTANT DIRECTOR (ESIC) v. SANSERA ENGINEERING P. LTD [KANT]
- KESARWANI TRADERS v. STATE OF UP & ORS [ALL]



## Corporate Laws

### Landmark Judgement

**LMJ 09:09:2025**

**MOHAN LAL & ANR v. GRAIN CHAMBER LTD., MUZAFFARNAGAR & ORS [SC]**

**Civil Appeals Nos. 114 and 115 of 1965**

**J.C. Shah & S.M. Sikri, JJ. [Decided on 15/11/1967]**

**Equivalent Citations: 1968 AIR 772; 1968 SCR (2) 252; AIR 1968 Supreme Court 772; (1968) 38 Comp Cas 543.**

**Indian Companies Act, 1913-Section 162- winding up of companies- loss of substratum- Company was dealing in sale of gur including futures- In 1950 trading in futures were prohibited- appellants sought the winding up of the company- petition rejected- whether correct- Held, Yes.**

### Brief facts:

The Respondent company was formed for the purpose of carrying on business of an exchange in grains, cotton, sugar, gur, pulses and other commodities. Members of the Respondent has to sell and purchase through the Appellant only. The buyer and the seller who are members of the Company negotiate transactions of sale and purchase in gur through their respective brokers and then approach the Company. The Company enters into two independent contracts whereby the Company is the purchaser from one and is the seller to the other at rates agreed upon between the seller and the buyer. The seller has therefore to sell to the Company a specified quantity and the buyer agrees to purchase the same quantity from the Company under an independent contract.

On March 14, 1949, the Company passed a resolution sanctioning transaction of business in “futures” and the Appellants commenced dealing with the Company in “futures” in gur.

In exercise of the powers conferred by s. 3 of the Essential Supplies (Temporary Powers) Act 24 of 1946, the Government of India issued a notification on February 15, 1950, amending the sugar (Futures & Options) Prohibition Order, 1949, and made it applicable to “futures” and options in gur. By that Order entry into transactions in “futures” after the appointed day was prohibited.

Entries were posted in the books of account of the Company on the footing that all outstanding transactions in futures

in gur were settled on February 15, 1950. In the account of Mohan Lal & Company an amount of Rs 5,26,996/14/- stood to the credit of the appellants. Against that amount Rs. 5,15,769/5/- were debited as “loss adjusted”, and on February 15, 1950, an amount of Rs. 11,227/9/- stood to their credit. Similar entries were posted in the accounts of other persons who had outstanding transactions in gur.

In 1960, the Appellants filed a winding up petition against the Respondent company alleging diverse grounds that the Company was unable to pay its debts, that it was just and equitable to wind up the Company, because the directors and the officers of the Company were guilty of fraudulent acts resulting in misappropriation of large ‘funds, and that the substratum of the Company had disappeared, the business of the Company having been completely destroyed. The High Court dismissed the petition.

**Decision:** Dismissed.

### Reason:

The plea that there was frustration of the contracts, and on that account the Company was liable to refund all the amounts which it had received, has no substance. As we have already held, the outstanding contracts were not at all affected by the Government Order. Imposition by the Central Government of a prohibition by its notification dated March 1, 1950 restraining persons from offering and the Railway Administration from accepting for transportation by rail any gur, except with the permit of the Central Government from any station outside the State of Uttar Pradesh which was situated within a radius of thirty miles from the border of Uttar Pradesh does not lead to frustration’ of the contracts. Fresh contracts were prohibited but settlement of the outstanding contracts by payment of differences was not prohibited, nor was delivery of gur in pursuance of the contract and acceptance thereof at the due date by the Company prohibited. The difficulty arising by the Government orders in transporting the goods needed to meet the contract was not an impossibility contemplated by s. 56 of the Contract Act leading to frustration of the contracts. Finally, it was urged that by reason of the notification issued by the Central Government, the substratum of the Company was destroyed and no business could be carried on by the Company thereafter. It was said that all the liquid assets of the Company were disposed of and there was no reasonable prospect of the Company commencing or carrying on business thereafter.

The Company was carrying on extensive business in “futures” in gur, but the Company was formed not with the object of carrying on business in “futures” in gur alone, but in several other commodities as well. The Company had immovable property and liquid assets of the total value of Rs. 2,54,000. There is no evidence that the Company was unable to pay its debts. Under s. 162 of the Indian Companies Act, 1913 the Court may make an order for winding up a Company if the Court is of the opinion that it is just and equitable that the Company be wound up. In making an order for winding up on the ground that it is just and equitable that a Company should be wound up,

the Court will consider the interests of the shareholders as well as of the creditors. Substratum of the Company is said to have disappeared when the object for which it was incorporated has substantially failed, or when it is impossible to carry on the business of the Company except at a loss, or the existing and possible assets are insufficient to meet the existing liabilities. In the present case the object for which the Company was incorporated has not substantially failed, and it cannot be said that the Company could not carry on its 'business except at a loss, nor that its assets were insufficient to meet its liabilities. On the view we have taken, there were no creditors to whom debts were payable by the Company. The appellants had, it is true, filed suits against the Company in respect of certain gur transactions on the footing that they had entered into transactions in the names of other persons. But those suits were dismissed. The business organisation of the Company cannot be said to have been destroyed, merely because the brokers who were acting as mediators in carrying out the business between the members had been discharged and their accounts settled. The services of the brokers could again be secured. The Company could always restart the business with the assets it possessed, and prosecute the objects for which it was incorporated. It is true that because of this long drawn out litigation, the Company's business has come to a standstill. But we cannot on that ground direct that the Company be wound up. Primarily, the circumstances existing as at the date of the petition must be taken into consideration for determining whether a case is made out for holding that it is just and equitable that the Company should be wound up, and we agree with the High Court that no such case is made out.

**LW 65:09:2025**

**SINCERE SECURITIES PRIVATE LIMITED v  
CHANDRAKANT KHEMKA & ORS [SC]**

**Civil Appeal No. 12812 of 2024**

**Satish Chandra Sharma & Sanjay Kumar, JJ.  
[Decided on 05/08/2025]**

**Brief facts:**

Respondent No.1 is the suspended director of the Corporate Debtor. Appellant is the owner of the subject property. All other parties to the CIRP were at consensus that the property in question need not be retained by the corporate debtor, as it is not required by it and imposes a huge financial burden on it, in terms of the lease/license rentals payable therefor. Accordingly NCLT directed the corporate debtor to hand over the property to the Appellant. However, Respondent No.1 appealed to the NCLAT on the grounds that (i) the erstwhile Resolution Professional of the corporate debtor made a factually incorrect statement before the NCLT and (ii) the property in question is essential for the functioning of the corporate debtor and Section 14(1)(d) of the IBC barred its return to the appellants. NCLAT therefore remanded the matter before the NCLT. Hence, the present appeal before the Supreme Court.

**Decision:** Allowed.

**Reason:**

Despite all others involved in the CIRP being in favour of doing so, Chandrakant Khemka alone opposes the return of the subject property to the appellants. His lofty claim that the rent due to the appellants would stand secured by the provisions of the IBC does not stand to reason. Further, Chandrakant Khemka is himself not willing to bear the expenditure for retaining the possession of the subject property.

In the earlier regime, the corporate debtor could indefinitely continue to enjoy the protection given under Section 22 of the Sick Industrial Companies Act, 1985 or under other such enactments which has now been forsaken. Besides, the commercial wisdom of CoC has been given paramount status without any judicial intervention, for ensuring completion of the stated processes within the timelines prescribed by the I&B Code. There is an intrinsic assumption that financial creditors are fully informed about the viability of the corporate debtor and feasibility of the proposed resolution plan. They act on the basis of thorough examination of the proposed resolution plan and assessment made by their team of experts. The opinion on the subject-matter expressed by them after due deliberations in CoC meetings through voting, as per voting shares, is a collective business decision. The legislature, consciously, has not provided any ground to challenge the "commercial wisdom" of the individual financial creditors or their collective decision before the adjudicating authority. That is made non-justiciable.

The commercial wisdom of the CoC must, accordingly, be given primacy during the CIRP. When UCO Bank, constituting the CoC, decided that retention of the possession of the subject property was not in the interest of the CIRP, that decision must be given the respect that is lawfully due to it.

In the case on hand, the chronology of events manifests that, at its very first meeting held on 20.02.2023, the CoC discussed the issue of retention of the ground floor of White House. It asked the Resolution Professional to visit the said premises and decide as to whether holding on to the same was required, spending a huge amount towards rentals. Thereafter, at its third meeting held on 06.04.2023, the CoC took note of the Resolution Professional's report that it was not feasible to hold on to the subject property, as only 8 to 9 staff members were there and the revenue generated would not be sufficient to pay the lease/license rentals. The CoC recorded that the matter was duly discussed and the Resolution Professional was asked to hand over possession as early as possible, as there was no requirement to hold on to the said premises spending such a huge amount towards rentals.

It was only thereafter that the appellants filed Interlocutory Applications before the NCLT praying for a direction to deliver possession of the subject property to them along with other reliefs. It is, therefore, manifest that this was not a simple case of the owner of the property seeking recovery of possession thereof from the corporate debtor,



which would be barred by the express language of Section 14(1)(d) of the IBC. On the other hand, as already noted hereinbefore, it was the CoC and the Resolution Professional who were and still are desirous of returning the possession of the property in question to the appellants, keeping in mind the adverse financial implications of retaining the same. It appears that Chandrakant Khemka, respondent No. 1, who is not willing to personally bear the expenditure for such retention, is bent upon stalling that process for some undisclosed and extraneous reasons. This was, therefore, not a situation which warranted an order of remand in the context of Section 14(1)(d) of the IBC.

**LW 66:09:2025**

**IL&FS FINANCIAL SERVICES LIMITED v ADHUNIK MEGHALAYA STEELS PRIVATE LTD [SC]**

**Civil Appeal No. 5787 of 2025**

**Manoj Misra & K.V. Viswanathan, JJ. [Decided on 30/07/2025]**

**Insolvency and Bankruptcy Code, 2016- Section 7 – CIRP by financial creditor – application rejected on the ground of limitation – whether correct-Held, No.**

**Brief facts:**

Appellant granted loan facility of Rs.30 crores to the Respondent in 2015. On 01.03.2018, the account of the respondent was admittedly declared as a Non-Performing Asset (NPA) as the respondent was unable to meet its debt obligations in the sum of Rs.55,45,97,395/-. Appellant filed section 7 application on 15.01.2024. The date of default was mentioned as 01.03.2018. The NCLT rejected the CIRP application as time barred and the NCLAT had confirmed the same in appeal. Hence the present appeal before the Supreme Court.

**Decision:** Allowed.

**Reason:**

Keeping all these principles in mind, if we examine the facts of the present case, it will be clear that the Balance Sheet of F.Y. 2019-20, viewed in the background of the other admitted documents, including the financial statements of the previous years, clearly constitutes a valid acknowledgment of a subsisting liability and indicated the existence of a jural relationship and an admission as to the existence of such relationship. We say so for the following reasons:-

- i) The general tenor and context of the balance sheet of F.Y. 2019-20 considered in the background of surrounding circumstances arising from the balance sheets of F.Y. 2015-16, 2016-17 & 2017-18 clearly points to the fact that the entry in the balance sheet of F.Y. 2019-20 constitutes a valid acknowledgement and pertains to the same borrowing as was reflected in the balance sheet of F.Y. 2015-16, 2016-17 & 2017-18.

- ii) Under the Indian Accounting Standards (Ind AS) 7, a cash flow statement is appended to the financial statement. The cash flow statement indicates that in F.Y. 2018-19 there was proceeds from borrowings of Rs.72,30,902/- and added to Rs.23,68,91,933/-, a figure of Rs.24,41,22,835/- is arrived at.
- iii) More importantly, in the cash flow statement, it was indicated that no part of cash flow proceeds was utilised in the repayment of existing borrowings under the financial activities since the amount under the head “cash flows from (used in) financial activities” is nil. This clearly indicates that the debt remained unpaid even in 2019-20.

In addition to the above, it is significant to note that in this case in the reply filed to the Section 7 application, apart from a general objection as to the application being barred by limitation only a bare denial was made.

In the application under Section 7 detailed averments were made referring to a series of audited financial statements and Balance Sheet from F.Y. 2015-16 to F.Y. 2019-20 to make out a case that the entry in F.Y. 2019-20 constituted an acknowledgment under Section 18 of the Limitation Act by the respondent. In any event, we have not based our finding on the mere factum of non-denial but have construed the entry in the Balance Sheet of F.Y. 2019-20 to conclude that the entry in the F.Y. 2019-20 constitutes a valid acknowledgment.

The Balance Sheet of F.Y. 2019-20 was admittedly signed by the board of directors on 12.08.2020. This date was within the subsisting period of limitation for the reason that taking 01.03.2018 as the commencement of limitation, limitation ordinarily would have continued till 28.02.2021. Since an acknowledgment came into effect on 12.08.2020, limitation would have stood extended till 11.08.2023. However, Covid-19 intervened resulting in this Court passing a series of orders extending the period of limitation. The relevant order applicable in this case is the order of 10.01.2022.

We have no manner of doubt that sub-Para 1 of Para 5 of the order of this Court dated 10.01.2022 would apply and the entire period from 15.03.2020 to 28.02.2022 would stand excluded, which would mean that the limitation would, reckoning the acknowledgment of 12.08.2020, commence on 01.03.2022 and continue till 28.02.2025.

Since the application has been filed on 15.01.2024 the same is within time. Limitation, in view of the acknowledgment as found above, having commenced only on 12.08.2020, the question of limitation expiring between 15.03.2022 and 28.02.2022 cannot arise. Hence, Para 5(III) of the order of this Court dated 10.01.2022, has no application to the facts of this case.

In view of the observations made hereinabove, the judgments of the NCLAT dated 25.03.2025 and NCLT dated 16.05.2024 are set aside. The appeal is allowed. The matter is remitted to the adjudicating authority to proceed with and decide in accordance with law, treating the application under Section 7 of the IBC, filed by the appellant, as one filed within limitation. No order as to costs.



## Competition Laws

LW 67:09:2025

**RAGHUNATH PATIL, PRESIDENT OF SHETKARI SANGHATANA v RASHTRIYA CHEMICALS AND FERTILIZERS LTD. [CCI]**

**Case No. 03 of 2025**

**Ravneet Kaur, Anil Agrawal, Sweta Kakkad & Deepak Anurag.**

**[Decided on 06/08/2025]**

**Competition Act, 2002- sale of urea- Sections 3 and 4- respondent enjoying dominant position- indulged in tying up of other products with the sale of urea- whether hit by the vice of imposing unfair terms- Held, Yes. Investigation by DG directed.**

### Brief facts:

The Informant alleged that the conduct of the OP in imposing the unfair condition of tying the sale of other products with the purchase of its Urea in the State of Maharashtra is in complete violation of Section 4(2) (a) of the Act, as it amounts to imposing unfair terms and conditions on farmers. It is also alleged that such forcible tying also leads to denial of access in the market for sale of other products such as NPK, to the dealers who solely deal in such products, in violation of Section 4(2)(c) of the Act.

It is also alleged by the Informant that the OP has leveraged its dominant position in the “market for sale and supply of Urea in Maharashtra” to protect its business in the supplementary “market for sale and supply of other agricultural products” by foreclosing and indulging in denial of market access to other players in the secondary market which is a violation of Section 4(2)(e) of the Act.

With regard to alleged violation under Section 3 of the Act, the Informant has stated that the OP stands at the top of the production chain as the manufacturer of Urea, which is then supplied to different districts within the State of Maharashtra in terms of Centre's supply movement order. The Urea is then sent to retailers/dealers, who ultimately sell it to farmers/end consumers. The OP is alleged to have imposed the requirement of purchase of other products (such as water-soluble fertilizers, etc.) as a pre-condition to purchase Urea in the State of Maharashtra, in violation of Section 3(4)(a) read with Section 3(1) of the Act. It is also stated that this conduct of the OP is leading to

appreciable adverse effect on competition (“AAEC”) by harming farmers, who are unable to make a choice about other products they may wish to purchase in addition to Urea. It is also stated that this is leading to foreclosure of market for dealers/competitors who solely sell the tied-in product(s) and creation of entry barriers for other smaller competitors.

**Decision:** Investigation by DG ordered.

### Reason:

From various representations made by the Fertilizer and Dealers’ Association, it appears that the OP imposes the condition of purchase of other products with the purchase of Urea which on the face of it appears to be imposition of unfair condition which has been prohibited under Section 4(2)(a)(i) of the Act. Thus, the Commission is of the prima facie opinion that the conduct of the OP appears to be in violation of Section 4(2)(a)(i) of the Act.

In the present matter, where sale and supply are regulated, it does not appear that the OP has denied market access to the other manufacturers of Urea for sale and supply in the State of Maharashtra. Further, the Commission notes that the Informant has not alleged denial of market access to the competitors in the proposed relevant market i.e., “sale and supply of Urea in the State of Maharashtra”, wherein the OP is stated to be operating and holding a position of dominance. Thus, the Commission observes that the allegation of violation of Section 4(2)(c) of the Act by the OP does not hold merit.

Though the Informant has not submitted copy of any written agreement between the OP and the dealers/stockiest etc., perusal of the evidences filed with the Information in the form of various representations, media reports and instructions issued by the Government etc. make out a prima facie case of violation of Section 4(2) (d) of the Act.

In this regard, the Commission notes that the OP holds a position of dominance in the market for sale and supply of Urea in the State of Maharashtra and by tying the sale of other products with that of Urea, it appears that it has leveraged its position to enter into or to protect the market for other products. Such leveraging by a dominant entity has been frowned upon under the scheme of the Act as it hinders fair competition in the market. In this context and factual matrix, the Commission is of the prima facie view that there appears to be a violation of Section 4(2)(e) of the Act.

Upon consideration of the facts and circumstances of the present case, the Commission is of the prima facie view that the conduct of the OP appears to be in contravention of provisions of Section 3(4)(a), 4(2) (a)(i), 4(2)(d) and 4(2)(e) of the Act. On the basis of the material available on record, there appears to be substance in the allegations levelled by the Informant and the same merits an investigation by the Director General (“DG”).



## Industrial & Labour Laws

LW 68:09:2025

### CH. JOSEPH v THE TELANGANA STATE ROAD TRANSPORT & ORS. [SC]

Civil Appeal No(S)\_\_\_\_\_ of 2025 (@ SLP (C) No. 36278 of 2017)

J.K. Maheshwari & Aravind Kumar, JJ. [Decided on 01/08/2025]

**Employment law- driver found to be 'colour blind' and relieved- his request for alternate employment was rejected- whether correct- Held, No.**

#### Brief facts:

The Appellant herein was selected and appointed as a 'driver' in Respondent Corporation on 01.05.2014. On a periodical medical examination conducted by the medical officer of the dispensary belonging to the respondent-corporation, it was found that the appellant was 'colour blind' and was declared unfit to hold the post of 'driver'. The appellant preferred an appeal challenging the observation regarding his fitness for the post of 'driver', alternatively, the appellant also sought for alternate employment in the event, he was declared 'medically unfit'. The appellant approached the High Court which directed the Respondent to provide an alternate employment. On appeal the Division Bench set aside the order of the Single Bench. Hence the present appeal before the Supreme Court.

**Decision:** Allowed.

#### Reason:

To conclude, the record before us makes it clear that the Appellant was prematurely retired from service on medical grounds without any meaningful effort by the Respondent-Corporation to explore his suitability for alternate employment. This action, taken in disregard of Clause 14 of the binding Memorandum of Settlement dated 17.12.1979 and without adherence to principles of fairness or accommodation, cannot be sustained in law.

The Corporation's omission to consider redeployment violates both statutory and constitutional obligations. Settled jurisprudence, including Kunal Singh (supra), which mandates that an employee who acquires a disability during service must be protected through reassignment where possible. The duty to reasonably accommodate such employees is now part of our constitutional fabric, rooted in Articles 14 and 21.

While judicial restraint guards against overreach, it must not become an excuse for disengagement from injustice. When an employee is removed from service for a condition he did not choose, and where viable alternatives are ignored, the Court is not crossing a line by intervening, it is upholding one drawn by the Constitution itself. The employer's discretion ends where the employee's dignity begins.

In light of the foregoing, the judgment of the High Court in W.A. No. 1343 of 2017 is set aside. The Respondent-Corporation is directed to appoint the Appellant to a suitable post, consistent with his condition, and on the same pay grade as he held on 06.01.2016, within eight weeks from the date of receipt of this order. The Appellant shall be entitled to 25% of the arrears of salary, allowances, and benefits from the date of his termination to the date of reinstatement. The intervening period shall be reckoned as continuous service for all purposes. The Appeal stands allowed. There shall be no order as to costs.

LW 69:09:2025

### XPRO INDIA LIMITED v THE STATE OF WEST BENGAL & ORS. [CAL]

WPA 4620 of 2025

Shampa Dutt (Paul), J. [Decided on 28/08/2025]

**Payment of Gratuity Act- forfeiture of gratuity- employee charged for interacting with rival company- domestic inquiry instituted- employee resigned and did not participate- employee claimed gratuity- employer sought to forfeit on the ground of moral turpitude- whether permissible- Held, No.**

#### Brief facts:

The Respondent, who was employed a technician, was subjected to domestic enquiry primarily on the ground that he was in contact with a rival company and was trying to set up another company. The Respondent did not join the inquiry proceedings but resigned and claimed gratuity. The gratuity was denied to him on the grounds of moral turpitude. The Controlling Authority as well as the Appellate Authority under the payment of Gratuity Act allowed the payment of gratuity to the Respondent. Aggrieved petitioner employer challenged the decision in the present petition.

**Decision:** Dismissed.

#### Reason:

In the present case, the enquiry report shows:-

- i. The petitioner/company could neither produce any witness nor show any call records to substantiate their charge that the respondent was in touch with a rival company.
- ii. As to what the enquiry officer meant by "as per my direction" is not clear and if believed, would go against the petitioner.



- iii. The witnesses produced, only stated that they saw the private respondent talk to some personnels of the rival company.
- iv. It was also stated that the private respondent had left the office on that day.

The petitioner in this case, could not prove that any damage or loss to, or destruction of, property belonging to the employer was due to the act of the respondent, which was riotous, disorderly, or involves moral turpitude.

In *Sushil Kumar Singhal vs Regional Manager Punjab National Bank*, in Civil Appeal No. 6423 of 2010 (arising out of SLP (C) No. 4216 of 2008), decided on 10 August, 2010, the Supreme Court has described:-

*"21. Moral Turpitude means [Per Black's Law Dictionary (8th Edn., 2004)] :-*

*"Conduct that is contrary to justice, honesty, or morality. In the area of legal ethics, offenses involving moral turpitude such as fraud or breach of trust. Also termed moral depravity.*

*Moral turpitude means, in general, shameful wickedness- so extreme a departure from ordinary standards of honest, good morals, justice, or ethics as to be shocking to the moral sense of the community. It has also been defined as an act of baseness, vileness, or depravity in the private and social duties which one person owes to another, or to society in general, contrary to the accepted and customary rule of right and duty between people."*

22. In *Pawan Kumar Vs. State of Haryana & Anr.*, AIR 1996 SC 3300, this Court has observed as under:-

*"'Moral turpitude' is an expression which is used in legal as also societal parlance to describe conduct, which is inherently base, vile, depraved or having any connection showing depravity."*

23. The aforesaid judgment in *Pawan Kumar (supra)* has been considered by this Court again in *Allahabad Bank & Anr. Vs. Deepak Kumar Bhola*, (1997) 4 SCC 1; and placed reliance on *Baleshwar Singh Vs. District Magistrate and Collector*, AIR 1959 All. 71, wherein it has been held as under:-

*"The expression 'moral turpitude' is not defined anywhere. But it means anything done contrary to justice, honesty, modesty or good morals. It implies depravity and wickedness of character or disposition of the person charged with the particular conduct. Every false statement made by a person may not be moral turpitude, but it would be so if it discloses vileness or depravity in the doing of any private and social duty which a person owes to his fellow men or to the society in general. If therefore the individual charged with a certain conduct owes a duty, either to another individual or to the society in general, to act in a specific manner or not to so act and he still acts contrary to it and does so knowingly, his conduct must be held to be due to vileness and depravity. It will be contrary to accepted customary rule and duty between man and man."*

In view of the above, it is evident that moral turpitude means anything contrary to honesty, modesty or good morals. It means vileness and depravity. In fact, the conviction of a person in a crime involving moral turpitude impeaches his credibility as he has been found to have indulged in shameful, wicked, and base activities.

Thus looking for another job, even if with a rival company (though, not proved in this case) with better perks and facilities is a basic right and does not constitute moral turpitude as it is not contrary to honesty, modesty or good morals.

The said/conduct of the enquiry/disciplinary authority is clearly an abuse of power and totally against the principles of natural justice, there being no independent, specific findings of the disciplinary authority against the petitioner. No reasoning nor the principles of natural justice was followed.

The findings of Disciplinary Authority is based on "no evidence" and has been passed without considering the principles of natural justice, which is a clear perverse determination of fact [*State of Rajasthan – vs – Heem Singh (Supra)*].

Relying upon the judgment in *Western Coal Fields Ltd. vs Manohar Govinda Fulzele*, (Supra), this Court sets aside the order and punishment of the disciplinary authority for the reasons stated above and directs the petitioner to pay the total amount of gratuity along with simple interest @ 8% p.a. with effect from 30th April, 2009 till payment within 60 days from the date of this order.

The order under challenge thus also requires no interference as the appellate authority has not interfered either with the disciplinary proceeding or the punishment. The appellate authority was clearly within its power under the payment of gratuity to decide the case on merit regarding the entitlement/forfeiture of gratuity.

The order of the appellate authority is well reasoned and within jurisdiction to the extent of the provisions of the payment of gratuity and is clearly in accordance with law.

**LW 70:09:2025**

**KAMINI SHARMA v STATE OF HIMACHAL PRADESH & ORS. [HP]**

**CWP No.393 of 2022**

**Sandeep Sharma, J. [Decided on 11/8/2025]**

**Maternity Benefit Act, 1961- contract employee- maternity leave granted- during the maternity period regularisation took place- medical certificate was furnished by the employee- employer cancelled the maternity leave and directed her to join the duties- whether tenable- Held, No.**

**Brief facts:**

The petitioner joined the department as JBT on contract basis. On 21.8.2021, petitioner gave birth to a baby and

thereafter availed Medical Leave w.e.f. afore date. While petitioner was on maternity leave, order dated 21.10.2021, came to be issued by the respondents, thereby regularizing services of the petitioner. Since petitioner pursuant to her regularization was to furnish her joining, she gave her joining on 22.10.2021 in continuation of her ongoing maternity leave w.e.f. 21.8.2021, which was duly accepted by the respondent department, however within a period of two months of her joining as regular employee, office order dated 13.12.2021 came to be issued by the respondents, thereby cancelling Maternity Leave of the petitioner on the ground that once she had submitted Medical Fitness Certificate at the time of her joining on 22.10.2021, she cannot avail Maternity Leave thereafter, which otherwise stood granted to her w.e.f. 21.8.2021.

**Decision:** Allowed.

**Reason:**

Facts, as have been noticed herein above, are not in dispute, rather stand duly admitted by the respondents in their reply. An attempt has been made to defeat the rightful claim of the petitioner on the ground that once petitioner had submitted Medical Fitness Certificate at the time of her regularization, she cannot be permitted to avail Maternity Leave, which was granted to her while she was working on contract basis vide order dated 21.8.2021.

Though having taken note of the fact that petitioner at the time of her regularization on 22.10.2021, submitted Medical Fitness Certificate, this court does not find any infirmity or illegality in the afore submissions made by learned Additional Advocate General because admittedly, in terms of provision of Leave Rule, if an incumbent assumes the duty in the midterm of the Medical Leave, she cannot claim the balance leave thereafter, however case at hand is peculiar one for the reason that Maternity Leave w.e.f. 21.8.2021 was granted to the petitioner while she was on contract basis, on account of her having given birth to a baby on 21.8.2021, but before Maternity Leave of 180 days could be availed by her, respondents by way of order dated 21.10.2021, regularized the services of the petitioner in terms of Regularization Policy, as a result thereof, petitioner was compelled to join on 22.10.2021.

Since at the time of regularization, certificate of fitness is otherwise required to be produced by the petitioner, petitioner submitted Medical Fitness Certificate duly issued by competent authority, but submission of Medical Fitness Certificate, in peculiar facts and circumstances as detailed herein above, could not have given any right to the respondents to curtail the Maternity Leave of the petitioner granted to her w.e.f. 21.8.2021, for a period of 180 days.

Careful perusal of afore communication reveals that while accepting regularization and joining on regular basis at Government Primary School Gater, petitioner categorically apprised the authorities concerned that same is in continuity with her ongoing maternity leave w.e.f. 21.8.2021 under Centre Bhararighat, Block Dhundan, District Solan, Himachal Pradesh, but there is

nothing on record that at the time of receipt of aforesaid communication, objection, if any, was ever raised by the authority concerned, rather same was duly accepted.

Moreover, this Court finds that prior to passing of afore order, no notice was ever issued to the petitioner, thereby calling upon her to render explanation qua her wilful absence from the duty w.e.f. i.e. 23.10.2021 to 15.12.2021. Though for the reasons stated herein above, there was no requirement, if any, for the respondents to treat the period of absence of the petitioner as extraordinary leave, but even if it is presumed that respondents, taking note of the rules, could have proceeded to pass such order, same could not have been passed without sending notice to the petitioner, who would have rendered plausible explanation qua her absence, which otherwise has been rendered in the present petition.

Leaving everything aside, since petitioner prior to her regularization w.e.f. 21.10.2021, stood sanctioned maternity leave for 180 days w.e.f. 21.8.2021 to February 2022, coupled with the fact that she was compelled to join in December 2021, ground taken by the respondents with regard to submission of medical fitness certificate at the time of regularization of the petitioner may not be available to the respondents to deny benefit of Maternity Leave, which stood sanctioned prior to her regularization, especially in peculiar facts and circumstances of the case.

Consequently, in view of the above, this Court finds merit in the present petition and as such, same is allowed. Orders dated 13.12.2021, 23.12.2021 and 19.6.2025 (Annexures P-4, P-5 and P-6) are quashed and due and admissible amount, if not already released to the petitioner, shall be released expeditiously, preferably, within four weeks, failing which respondents would be under obligation to pay interest @6% p.a. from the date amount fell due to the petitioner till its payment/recovery. In the aforesaid terms, present petition is disposed of along with pending applications, if any.

**LW 71:09:2025**

**THE ASSISTANT DIRECTOR (ESIC) v SANSERA ENGINEERING P. LTD [KANT]**

**Miscellaneous First Appeal No. 3687 of 2016 (ESI)**

**Ramachandra D. Huddar, J. [Decided on 30/07/2025]**

**Employees State Insurance Act, 1948- Section 45A- determination of contribution- construction work at the factory- construction workers not covered for ESI contribution by the employer - demand raised by the Corporation- ESI court reduced the demand by 75%- whether correct- Held, No.**

**Brief facts:**

The Corporation raised a demand of Rs.13,52,825/- towards the contribution from the respondent employer and the ESI Court, on appeal by the employer reduced the

demand to Rs.3,50,000/-. Aggrieved the Corporation has challenged this before the High Court.

The impugned demand was challenged by the respondent before the ESI Court primarily on the ground that, the workers engaged for construction and repair works were not under the control and supervision of the respondent and that the amounts paid to the contractors included substantial material costs rendering the labour component indeterminate.

The ESI Court, while recording a finding that, the demand appear to include non-wage element, proceeded to reduce liability, without assigning any precise calculation or logic for the said quantification. It is this act of reduction unsupported by evidentiary material or statutory rationale, which forms the core grievance of the present appeal.

**Decision:** Allowed.

**Reason:**

This Court has meticulously considered the rival submissions advanced on behalf of both the parties and has perused the records in detail. Upon such consideration, the following issues arise for adjudication:

- (i) Whether the labourers engaged through contractors for construction and repair works undertaken within the factory premises are to be treated as 'employees' within the meaning of Section 2(9) of ESI Act?
- (ii) Whether the order passed by the Corporation under Section 45-A of the Act was validly made in accordance with law particularly in view of respondents failure to furnish necessary records?
- (iii) Whether the ESI Court was justified in modifying the statutory demands in the absence of cogent evidentiary basis or alternative computation?
- (iv) What order is to be made in the facts and circumstances of this case?

In the instant case, the respondents are to exclude the construction workers on the ground that they were engaged by independent contractors and that their work did not constitute regular factory activity. This argument is devoid of merit. It is well established that, construction and maintenance work undertaken for the expansion or operational upkeep of the factory premises of the factory are not alien or external to the functioning of manufacturing unit. On the contrary, such works are integral to the continuity, efficiency and safety of the factory's operations.

The construction of additional sheds, installation of new units, renovation of existing structures and replacements to support utility systems are all activities intimately connected with the efficient running of the factory. Such works cannot be compartmentalized as noncore or detached for the purpose of the establishment. Therefore, persons employed in such work even though from contractors even they fall in the ambit of definition of 'Employee' under Section 2(9) of the Act.

In the present case, the records clearly demonstrate that the respondent was provided sufficient opportunities to furnish requisite details of the payments made to the contractors including bifurcation of labour and material components. Despite this, no such details are provided. In such circumstances, the Corporation upon evaluating the nature of work and based on prevailing wage patterns and internal assessments, estimated 25% of the contractor payments to represent labour component and computed contribution accordingly.

This Court finds no infirmity in the method adopted by the Corporation. When an employer withholds material records, it cannot later be heard to complain that the assessment was speculative. The law does not permit a defeating party to take advantage of its own wrong. The statutory presumption under Section 45-A of the Act is not merely procedural; it has substantial legal force and must be given due weight.

On the third issue, the approach adopted by the learned ESI Court is found to be perverse. The Court has not recorded any finding to the effect that, the 'Labour' Component was less than 25% nor has it relied on any contrary material or expert testimony. There is no computation offered to support the revised figure of Rs.3,50,000/- A judicial authority cannot indulge in conjectural quantification especially, when dealing with statutory dues under a welfare legislation. Such arbitrariness defeats the purpose of the Act and undermines the powers conferred upon the Corporation.

The reduction of demand by nearly 75% without any basis not only lacks legal justification but, also sets a dangerous precedent whereby employers may feel emboldened to suppress records and escape liability through evasive tactics. Such an approach is neither legally tenable nor socially desirable.

In summation, this Court is of the clear and considered opinion that, the order passed by the ESI Court modifying the demand is legally unsustainable and calls for interference. The determination made by the Corporation was in accordance with the statutory framework and supported by the facts available. The respondent had every opportunity to rebut the demand by furnishing the records, but, failed to do so.

The learned counsel for the appellant relied upon Division Bench Judgment of this Court where, I am one of the member i.e. in Misc. First Appeal No.7749/2013 (ESI) and submits that, in similar situation the Division Bench of this Court has categorically discussed with regard to the provisions of Section 45-A of the ESI Act. The observation with regard to the said provision is found at para.31 and 32 of the said judgment.

They read as under:

*"31. Considering Section 45A of the Act, the Hon'ble Supreme Court in para 15 of the judgment in C.Santhakumar's case referred to supra held that the order under Section 45A(1) of the Act shall be used as sufficient proof of the claim of the*



*Corporation. It was further held that when there is a failure in production of records and when there is no cooperation, the Corporation can determine the amount and recover the same as arrears of land revenue under Section 45B of the Act.*

*32. In the present case since the records were not produced before the Corporation during determination under Section 45A of the Act, the ESI Court had to accept such determination unless and until the same was disproved by the appellant. Therefore the question is whether the appellant had led in such evidence to disprove the determination made by respondents under the order under Section 45A of the Act."*

The said observation squarely applies to the present facts of the case. In conclusion, for the reasons stated above, this appeal deserves to be allowed and the impugned order passed by the ESI Court is liable to be set aside and the order passed by the Corporation under Section 45-A of the ESI Act is to be restored.



## Tax Laws

**LW 72:09:2025**

**KESARWANI TRADERS v STATE OF UP & ORS [ALL]**

**Writ Tax No. 1235 of 2025**

**Piyush Agrawal, J . [Decided on 18/08/2025]UP GST Act, 2017- "bill to - ship to" sale transaction - sellers registration was valid at the time of transaction-department considered the transaction as unregistered dealer transaction-whether correct-Held, No.**

### **Brief facts:**

By means of present writ petition, petitioner assails the order passed by Additional Commissioner Grade -2 (Appeal) Judicial Division, Third, State Tax, Prayagraj, impugned notice dated 07.09.2022 issued by Assistant Commissioner, Fatehpur, Sector- 3, Prayagraj (B), Prayagraj as well as order dated 17.11.2023 along with recovery notice DRC-07.

The petitioner is a registered dealer engaged in the business of purchase and sale of MS TMT bar etc. In a normal course of business, the petitioner placed an order to a registered dealer i.e. M/s Purvanchal Tradelink India, Sonbahdra (selling dealer) for supply of TMT Bars, who in turn, placed an order to the supplier namely SM Shop Raipur, Chhattisgarh (supplying dealer), who in turn issued a tax invoice No.00961 dated 20th June, 2018. In the

said invoice, M/s Purvanchal Tradelink India was shown as buyer and the petitioner been shown as consignee. The said goods were sent through vehicle No.CG-10-C-6933 as well as e-Way bill was also generated. In short, the said transaction can at best be said to be "Bill To Ship To", which is permissible under the GST regime. The proper officer rejected this transaction on the ground that the selling dealer was unregistered dealer. The appeal preferred by the petitioner was dismissed and hence the present petition.

**Decision: Allowed.**

### **Reason:**

It is not in dispute that proceedings have been initiated against the petitioner under Section 74 holding that tax invoice No.0014 dated 20th June, 2018 issued by M/s Purvanchal Trade Link India, Sonbahdra is not a registered dealer and, therefore, the claim made by the petitioner was a paper transaction. The record further shows that in the transaction, SM Shop, Raipur, Chhattisgarh have issued a tax invoice No.00961 dated 20th June, 2018 which was a "Bill To Ship To" transaction where the truck number was specifically mentioned as CG10-C-6933. Further, petitioner has been shown as consignee and the supplier has been shown as buyer. The said fact has not been disputed by the authorities. Further, the record shows that specific pleadings in the grounds of appeal before the first appellate authority was taken that the said vehicle was intercepted by a mobile squad of Chhattisgarh and a rubber stamp was put on e-Way bill and was duly signed (copy of the grounds of appeal has been appended as Annexure 6 to the writ petition). The grounds taken by the petitioner have been noticed in the impugned order at internal page 2 of the impugned order but no rebuttal or contradicting material against the petitioner has been brought on record to justify the action.

Once the said fact has been noticed in the impugned order and not disputed at the movement of goods have started from Raipur, Chhattisgarh to the place of petitioner, the benefit of the same cannot be legally denied. Further, the copy of the tax invoice of the selling dealer SM Shop Raipur and e-Way bill have been filed at page 67 and 68 of the paper book as Annexure 6 which clearly shows the movement of goods was as "Bill To Ship To" transaction. Further, the record shows that the registration of the seller i.e. M/s Purvanchal Tradelink India, Sonbahdra was cancelled subsequent to the date of transaction, hence, no adverse inference can legally be drawn against the petitioner as on the date of transaction, the seller was having a valid registration.

Once on the date of transaction the seller was having a valid registration and the transaction was through a valid billing channel, which has neither been denied nor any adverse material has been brought on record, no adverse inference can be drawn against the petitioner. In view of the above, the impugned orders cannot be sustained in the eyes of law and are hereby quashed. The writ petition stands allowed.

# 5

## FROM THE GOVERNMENT

- Corrigendum to the Details of Pre-bid meeting date, submission of bids, etc. for REQUEST FOR PROPOSAL (RFP) floated on Gem Portal vide Bid Number: GEM/2025/B/6586758 dated 19.08.2025
- The Companies (Incorporation) Second Amendment Rules, 2025
- Corrigendum to the Request for Proposal (RFP) for Third Party Evaluation (TPE) of Corporate Data Management (CDM) Scheme
- Request for Proposal (RFP) for Third Party Evaluation of Corporate Data Management Scheme- a Central Sector Scheme
- The Companies (Indian Accounting Standards) Second Amendment Rules, 2025
- Technical Clarifications to Cybersecurity and Cyber Resilience Framework (CSCRF) for SEBI Regulated Entities (REs)
- Relaxation in timeline to submit net worth certificate by Stock Brokers to offer margin trading facility to their clients
- Extension of timeline for implementation of SEBI Circular 'Margin obligations to be given by way of pledge/ Re-pledge in the Depository System' dated June 03, 2025
- Use of liquid mutual funds and overnight mutual funds for compliance with deposit requirement by Investment Advisers and Research Analysts
- Transaction charges paid to Mutual Fund Distributors
- Review of Framework for conversion of Private Listed InvIT into Public InvIT
- Ease of doing business (EODB) - Policy for joint annual inspection by MIIs – information sharing mechanism – action by Lead MII
- Review, Appeal or Waiver of penalty requests emanating out of actions taken by the Member Committee
- Implementation of Section 51A of UAPA, 1967: Updates to UNSC's 1267/1989 ISIL (Da'esh) & Al-Qaida Sanctions List: Amendments to 05 Entries
- Reserve Bank of India (Know Your Customer (KYC)) (2<sup>nd</sup> Amendment) Directions, 2025
- Compliance with Hon'ble Supreme Court Order dated April 30, 2025 in the matter of Pragya Prasun and ORS. vs Union of India (W.P.(C) 289 of 2024) and Amar Jain vs Union of India & ORS. (W.P.(C) 49 of 2025)
- Introduction of Continuous Clearing and Settlement on Realisation in Cheque Truncation System
- Investment in Government Securities by Persons Resident Outside India through Special Rupee Vostro account
- Reserve Bank of India (Non-Fund Based Credit Facilities) Directions, 2025
- Reserve Bank of India (Co-Lending Arrangements) Directions, 2025
- International Trade Settlement in Indian Rupees (INR)



## Corporate Laws

### Ministry of Corporate Affairs

## 01

### Corrigendum to the Details of Pre-bid meeting date, submission of bids, etc. for REQUEST FOR PROPOSAL (RFP) floated on Gem Portal vide Bid Number: GEM/2025/B/6586758 dated 19.08.2025

[Issued by the Ministry of Corporate Affairs No. EGov-04/29/2025-e-Gov-MCA dated 27.08.2025]

Please refer to this Ministry Request for Proposal (RFP) document No. GEM/2025/B/6586758 dated 19.08.2025 on the subject matter of "Request for Proposal (RFP) for on boarding of consultant for Preparing Scoping Report, RFP, Bid Management Process, Project Implementation Monitoring for enhancements/upgrades in MCA21 system". Last date of submission of queries / requests for clarification may be read as "29.08.2025 09:00 AM" instead of "25.08.2025".

2. The Bidders are requested to submit the queries accordingly.

**KIRAN REDDY T**  
Director

*Complete details are not published here for want of space. For complete notification readers may log on to [www.mca.gov.in](http://www.mca.gov.in)*

## 02

### The Companies (Incorporation) Second Amendment Rules, 2025

[Issued by the Ministry of Corporate Affairs [E No. 01/13/2013 CL-V, Vol-VI] dated 26.08.2025]

In exercise of the powers conferred by section 3, section 4, sub-sections (5) and (6) of section 5, section 6, sub-sections (1) and (2) of section 7, sub-sections (1) and (2) of section 8, sub-sections (2), (3), (4), (5) and (9) of section 12, sub-sections (3), (4) and proviso to sub-section (5) of section 13, sub-section (2) of section 14, subsection (1) of section 17, section 20 read with sub-sections (1) and (2) of section 469 of the Companies Act, 2013 (18 of 2013), the Central Government hereby makes the following rules further to amend the Companies (Incorporation) Rules, 2014, namely:-

1. (1) These rules may be called the Companies (Incorporation) Second Amendment Rules, 2025.
- (2) They shall come into force on the 15<sup>th</sup> day of September 2025.

**BALAMURUGAN D.**  
Joint Secretary

*Complete details are not published here for want of space. For complete notification readers may log on to [www.mca.gov.in](http://www.mca.gov.in)*

## 03

### Corrigendum to the Request for Proposal (RFP) for Third Party Evaluation (TPE) of Corporate Data Management (CDM) Scheme

[Issued by the Ministry of Corporate Affairs No. Q-14008/1/ 2019-STAS dated 21.08.2025]

Please refer to this Ministry's Request for Proposal (RFP) document dated 18.09.2025 on the subject matter of Request for Proposal (RFP) for Third Party Evaluation of Corporate Data Management Scheme- a Central Sector Scheme. Last date of submission of bids may be read as "15<sup>th</sup> Sept 2025 (12:00:00)" instead of "16<sup>th</sup> Sept 2025".

2. The Bidders are requested to submit the proposals accordingly.

**AKHILESH KUMAR SINGH**

Under Secretary to the Government of India

## 04

### Request for Proposal (RFP) for Third Party Evaluation of Corporate Data Management Scheme- a Central Sector Scheme

[Issued by the Ministry of Corporate Affairs dated 19.08.2025]

Ministry of Corporate Affairs (MCA) is concerned with administration of the Companies Act 2013, the Companies Act 1956, the Limited Liability Partnership Act, 2008 & other allied Acts and rules & regulations framed there-under mainly for regulating the functioning of the corporate.

2. Corporate Data Management (CDM), Central Sector Scheme was launched in 2015-16, to create an in-house Data Mining and Data Analytics facility to provide a forward linkage to MCA21 data repository, by transforming statutory filing into a statistical data warehouse system and to build MCA's own advance Data Analytics hub.
3. This Ministry intends to invite proposals for third party evaluation of Corporate Data Management Scheme through Government e-Marketplace (GeM), from national agencies / firms / organizations / institutions, which have requisite experience in this field as detailed in the RFP.
4. Interested applicants are requested to submit their response to the RFP via GeM on or before 16<sup>th</sup> September, 2025.

**AKHILESH KUMAR SINGH**

Under Secretary to the Government of India

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## 05

### The Companies (Indian Accounting Standards) Second Amendment Rules, 2025

[Issued by the Ministry of Corporate Affairs E No. 01/01/2009-CL-V (Part. XIV) dated 13.08.2025]

In exercise of the powers conferred by section 133 read with section 469 of the Companies Act, 2013 (18 of 2013), the Central Government, in consultation with the National Financial Reporting Authority, hereby makes the following rules further to amend the Companies (Indian Accounting Standards) Rules, 2015, namely:-



1. Short title and commencement. - (1) These rules may be called the Companies (Indian Accounting Standards) Second Amendment Rules, 2025.  
(2) They shall come into force on the date of their publication in the Official Gazette.
2. In the Companies (Indian Accounting Standards) Rules, 2015, in the “Annexure”, under the heading “B. Indian Accounting Standards (Ind AS)”, -
  - (A) in “Indian Accounting Standard (Ind AS) 101”, in Appendix 1, —
    - (a) in paragraph 7, for item (v), the following shall be substituted, namely:—  
“(v) Paragraphs D31AA-D31AL includes the transitional provisions of IFRS 11 Joint Arrangements. Accordingly, paragraph D31 of IFRS 1 has not been included.”
    - (b) in paragraph 8, in sub-paragraph (c), for item (2), the following shall be substituted, namely:—  
“(2) Paragraph D9AA has been added to provide for transitional relief to first-time adopter lessor while applying Ind AS 116, Leases. D9AA provides an entity to use the transition date facts and circumstances for lease arrangements which includes both land and building elements to assess the classification of each element as finance or an operating lease at the transition date to Ind ASs.”
    - (c) in paragraph 12, item (vii) shall be omitted;
  - (B) in “Indian Accounting Standard (Ind AS) 107”, —
    - (i) after paragraph 44II, the following paragraph shall be inserted, namely:—  
“44JJ Supplier Finance Arrangements, which also amended Ind AS 7, amended paragraph B11F. An entity shall apply that amendment when it applies the amendments to Ind AS 7.”
    - (ii) in Appendix B, in paragraph B11F, for items (h) and (i), the following items shall be substituted, namely:—
      - (h) has instruments that allow the entity to choose whether it settles its financial liabilities by delivering cash (or another financial asset) or by delivering its own shares;
      - (i) has instruments that are subject to master netting agreements; or
      - (j) has accessed, or has access to, facilities under supplier finance arrangements (as described in paragraph 44G of Ind AS 7) that provide the entity with extended payment terms or the entity’s suppliers with early payment terms.”

**BALAMURUGAN D.**

Joint Secretary

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## Securities and Exchange Board of India

# 06 Technical Clarifications to Cybersecurity and Cyber Resilience Framework (CSCRF) for SEBI Regulated Entities (REs)

**[Issued by the Securities and Exchange Board of India vide Circular SEBI/HO/ ITD-1/ITD\_CSC\_EXT/P/CIR/2025/119 dated 28.08.2025]**

1. Recognising the need for robust cybersecurity measures and protection of data and IT infrastructure, Securities and Exchange Board of India (SEBI) has issued ‘Cybersecurity and Cyber Resilience Framework (CSCRF) for SEBI Regulated Entities (REs)’ vide circular SEBI/HO/ ITD-1/ITD\_CSC\_EXT/P/ CIR/2024/113 dated August 20, 2024.
2. Upon receipt of various queries from REs seeking extension and clarification on the aforementioned circular, SEBI has also issued following clarifications and Frequently Asked Questions (FAQs):

S. No.	Circular Title	Circular Number	Date of Issuance
1.	Clarifications to Cybersecurity and Cyber Resilience Framework (CSCRF) for SEBI Regulated Entities (REs)	SEBI/HO/ITD-1/ITD_CSC_EXT/P/CIR/2024/184	December 31, 2024
2.	Extension towards Adoption and Implementation of Cybersecurity and Cyber Resilience Framework (CSCRF) for SEBI Regulated Entities (REs)	SEBI/HO/ITD-1/ITD_CSC_EXT/P/CIR/2025/45	March 28, 2025
3.	Clarifications to Cybersecurity and Cyber Resilience Framework (CSCRF) for SEBI Regulated Entities (REs)	SEBI/HO/ITD-1/ITD_CSC_EXT/P/CIR/2025/60	April 30, 2025
4.	Frequently Asked Questions (FAQs) on Cybersecurity and Cyber Resilience Framework (CSCRF) for SEBI REs and Framework for Adoption of Cloud Services by SEBI REs	FAQs	June 11, 2025
5.	Extension towards Adoption and Implementation of Cybersecurity and Cyber Resilience Framework (CSCRF) for SEBI Regulated Entities (REs)	SEBI/HO/ITD-1/ITD_CSC_EXT/P/CIR/2025/96	June 30, 2025

3. Based on further discussions, technical clarifications are being issued with respect to Cybersecurity and Cyber Resilience Framework (CSCRF) for SEBI Regulated Entities (REs) in following parts:

- 3.1. Part-A: Principles for REs under multiple regulators' purview
- 3.2. Part-B: Technical clarifications
- 3.3. Part-C: Re-categorisation of Portfolio Managers and Merchant Bankers
- 3.4. Part-D: Cyber Security Audit Policy Guidelines from CERT-In

**MRIDUSMITA GOSWAMI**  
CISO - General Manager

*Complete details are not published here for want of space. For complete notification readers may log on to [www.sebi.gov.in](http://www.sebi.gov.in)*

## 07 Relaxation in timeline to submit net worth certificate by Stock Brokers to offer margin trading facility to their clients

[Issued by the Securities and Exchange Board of India vide Circular SEBI/HO/MRD/MRD-PoD-2/P/CIR/2025/120 dated 26.08.2025]

1. Para 4.5.3 of Chapter 1 of the Master Circular for Stock Exchanges and Clearing Corporations (SECC) dated December 30, 2024, states that in order to be eligible to offer the margin trading facility to their clients, the Stock Brokers shall submit to the stock exchange(s) a half-yearly certificate, as on 31<sup>st</sup> March and 30<sup>th</sup> September of each year, from an auditor confirming the net worth. Such a certificate shall be submitted not later than 30<sup>th</sup> April and 31<sup>st</sup> October of every year.
2. Based on representations received from market participants and with a view to promote ease of doing business, it has been decided to harmonize the timelines for the Stock Brokers to submit the net worth certificate under the aforesaid Master Circular with the timelines for declaration of the financial results as per Regulation 33 of the SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015.
3. Accordingly, in order to be eligible to offer the margin trading facility to their clients, the Stock Brokers shall submit the certificate as stated in para 1 above within 45 days from the half-year ended on September 30 and within 60 days from the half-year ended on 31<sup>st</sup> March.
4. In view of the above, para 4.5.3 of Chapter 1 of the Master Circular for Stock Exchanges and Clearing Corporations (SECC) dated December 30, 2024, shall be modified as follows:  

"The broker shall submit to the stock exchange a half-yearly certificate, as on 31<sup>st</sup> March and 30<sup>th</sup> September of each year, from an auditor confirming the net worth. Such a certificate shall be submitted not later than 31<sup>st</sup> May and 15<sup>th</sup> November every year."
5. The provisions of this circular shall come into effect immediately.
6. The Stock Exchanges are advised to:

- 6.1. Make necessary amendments to the relevant bye-laws, rules and regulations for the implementation of the above decision, as may be necessary/applicable.
- 6.2. Bring the provisions of this circular to the notice of their members and to disseminate the same on their website.
7. This circular is being issued in exercise of powers conferred under Section 11 (1) of the Securities and Exchange Board of India Act, 1992, read with Regulation 51 of the Securities Contracts (Regulation) (Stock Exchanges and Clearing Corporations) Regulations, 2018 to protect the interests of investors in securities and to promote the development of, and to regulate the securities market.
8. This circular is available on SEBI website at [www.sebi.gov.in](http://www.sebi.gov.in) in at "Legal → Circulars".

**SANJAY SINGH BHATI**  
Deputy General Manager

## 08 Extension of timeline for implementation of SEBI Circular 'Margin obligations to be given by way of pledge/Re-pledge in the Depository System' dated June 03, 2025

[Issued by the Securities and Exchange Board of India vide Circular SEBI/HO/MIRSD/MIRSD-PoD/P/CIR/2025/118 dated 18.08.2025]

1. SEBI issued circular on 'Margin obligations to be given by way of pledge/Re-pledge in the Depository System' on June 03, 2025. The provisions of the circular were to come into effect from September 01, 2025.
2. SEBI has received representation from depositories (CDSL and NSDL) requesting for an extension of time to carry out system developments and to ensure system readiness by carrying end-to-end testing. Based on the same and in order to ensure smooth implementation without any disruption to the market players and investors, it has been decided to extend the timeline for implementation to October 10, 2025.
3. Stock Exchanges, Depositories and Clearing Corporations are directed to:
  - 3.1. bring the provisions of this circular to the notice of their members / participants and also disseminate the same on their websites;
  - 3.2. put in place appropriate systems and procedures to ensure compliance of the provisions of this circular;
  - 3.3. make necessary amendments to the relevant Bye-laws, Rules and Regulations for the implementation of the above decision;
4. This circular is issued in exercise of powers conferred under Section 11(1) of Chapter IV of the Securities and Exchange Board of India Act, 1992, read with Regulation 30 of Chapter VII of SEBI (Stock Brokers) Regulations, 1992 to protect the interests of investors in securities and to promote the development of, and to regulate the securities markets.
5. This circular is available on SEBI website at [www.sebi.gov.in](http://www.sebi.gov.in) in under the category: 'Legal → Circulars'.

**ARADHANA VERMA**  
General Manager

## 09 Use of liquid mutual funds and overnight mutual funds for compliance with deposit requirement by Investment Advisers and Research Analysts

[Issued by the Securities and Exchange Board of India vide Circular SEBI/HO/MIRSD/ MIRSD-PoD/P/CIR/2025/116 dated 12.08.2025]

1. In terms of regulation 8 of SEBI (Investment Advisers) Regulations, 2013 ('IA Regulations') and SEBI (Research Analysts) Regulations, 2014 ('RA Regulations'), Investment Advisers ('IAs') and Research Analysts ('RAs') are required to maintain a deposit of such sum as specified by SEBI from time to time. Such deposit was required to be maintained with a scheduled bank marked as lien in favour of Investment Adviser Administration and Supervisory body (IAASB) or Research Analyst Administration and Supervisory body (RAASB), as the case may be.
2. Based on the representations from industry participants and inputs received through public consultation, SEBI Board in its meeting held in June 2025 has approved the proposal to allow IAs and RAs to use liquid mutual funds and overnight mutual funds, as an option to the bank deposit, for compliance with deposit requirement as specified under IA Regulations and RA Regulations. In this regard, SEBI (Research Analysts) (Amendment) Regulations, 2025 and SEBI (Investment Advisers) (Amendment) Regulations, 2025 have been notified by SEBI on August 06 and August 07, 2025 respectively.
3. In order to ensure compliance with the deposit requirements under regulation 8 of IA Regulations and RA Regulations, IAs and RAs shall now maintain a deposit in the form of units of liquid mutual fund or an overnight mutual fund or as a deposit maintained with a scheduled bank. Such deposit shall be marked as lien in favour of IAASB or RAASB, as the case may be.
4. IAs and RAs shall comply with the deposit requirements latest by September 30, 2025.
5. IAASB/RAASB (BSE Limited) is hereby directed to put in place necessary systems and procedures for implementation of the provisions of this circular and bring the same to the notice of IAs/RAs.
6. The provisions of this circular shall come into effect from the date of issuance of this circular.
7. This circular is issued in exercise of powers conferred under section 11(1) of the Securities and Exchange Board of India Act, 1992 read with Regulation 8 of SEBI (Investment Advisers) Regulations, 2013 and SEBI (Research Analysts) Regulations, 2014 to protect the interests of investors in securities market and to promote the development of, and to regulate the securities market.
8. This circular is available on the SEBI website at [www.sebi.gov.in](http://www.sebi.gov.in) under the category "Legal →Circulars".

**ARADHANA VERMA**  
General Manager

## 10 Transaction charges paid to Mutual Fund Distributors

[Issued by the Securities and Exchange Board of India vide Circular SEBI/HO/IMD/IMD-PoD-1/P/CIR/2025/115 dated 08.08.2025]

1. Paragraph 10.5 read with paragraph 10.4.1.b of SEBI Master Circular for Mutual Funds dated June 27, 2024 (Master Circular) allows AMCs to pay to the distributor transaction charges, subject to a minimum subscription amount of INR 10,000/- brought in by such distributors.
2. The public consultation on the captioned subject matter was carried out in May 2023 followed by an industry consultation in June 2025.
3. Based on the feedback received from the industry and considering that distributors as an agents of AMCs are entitled to be remunerated by the AMCs, the charges or commission, as prescribed under the paragraph 10.4.1.b and paragraph 10.5 of Master Circular, shall be done away with.
4. Accordingly, paragraphs 10.4.1.b and 10.5 of Master Circular stands deleted.
5. The circular shall come into force with immediate effect.
6. This circular is issued in exercise of the powers conferred by Section 11(1) of the Securities and Exchange Board of India Act, 1992 read regulation 52(4A) of the SEBI (Mutual Funds) Regulations 1996 to protect the interest of investors in securities and to promote the development of, and to regulate the securities market.
7. This circular is available at [www.sebi.gov.in](http://www.sebi.gov.in) under the link "Legal →Circulars".

**PETER MARDI**

Deputy General Manager

## 11 Review of Framework for conversion of Private Listed InvIT into Public InvIT

[Issued by the Securities and Exchange Board of India vide Circular SEBI/HO/DDHS/DDHS-PoD-2/P/CIR/2025/114 dated 08.08.2025]

1. Chapter 14 of the Master Circular for Infrastructure Investment Trusts (InvITs) dated May 15, 2024 ("Master Circular") provides the framework for conversion of private listed InvIT into public InvIT.
2. SEBI is in receipt of certain suggestions from market participants to review the aforementioned framework. Based on the same and recommendations of the Hybrid Securities Advisory Committee ("HySAC"), the following changes are made in Chapter 14 of the Master Circular:
  - 2.1. Streamlining the requirements pertaining to minimum contribution from the sponsor(s) and sponsor group(s) in the public issue of units for conversion of a private listed InvIT into a public InvIT



- 2.1.1. Paragraph 14.6. of the Master Circular shall be substituted with the following:
- “14.6. Minimum unitholding for sponsor(s) and sponsor group(s)
- 14.6.1. The sponsor(s) and sponsor group(s) shall comply with the minimum unitholding requirement specified in Regulation 12(3) and 12(3A) of the InvIT Regulations, as applicable, at all times.”
- 2.1.2. Paragraph 14.7 of the Master Circular shall be substituted with the following:
- “14.7. Lock-in
- 14.7.1. The lock-in on units held by the sponsor(s) and sponsor group(s) to comply with the minimum unitholding requirement mentioned in paragraph 14.6.1 above shall be as specified in Regulation 12(5) of the InvIT Regulations.”
- 2.2. Aligning the procedure and disclosure requirements for public offer of units to convert a private listed InvIT into a public InvIT with the procedure and disclosure requirements applicable for follow-on offer
- 2.2.1. In paragraph 14.3.1. of the Master Circular, for the words “initial”, the words “follow-on” shall be substituted.
- 2.2.2. Paragraph 14.5.1. of the Master Circular shall be substituted with the following:
- “14.5.1. For such public issue, the InvIT shall comply with the requirements for follow-on offer prescribed under InvIT Regulations and the circulars issued thereunder including any amendments thereto.”
- 2.2.3. In paragraph 14.8.1. of the Master Circular, for the words “initial offer”, the words “such public issue” shall be substituted.
- 2.2.4. In paragraph 14.9.1. of the Master Circular, for the words “mandated in terms of Schedule III of”, the words “applicable for follow-on offer under” shall be substituted.
- 2.2.5. In paragraph 14.9.1. a) of the Master Circular, the words “as applicable for a follow-on offer” shall be inserted after the words “Details of distributions made by the InvIT”.
3. This circular shall be applicable with immediate effect.
4. This circular is issued in exercise of powers conferred under Section 11(1) of the Securities and Exchange Board of India Act, 1992 read with the provisions of Regulations 14(6) and 33 of the Securities and Exchange Board of India (Infrastructure Investment Trusts) Regulations, 2014, to protect the interests of investors

in securities market and to promote the development of, and to regulate the securities market. This circular is issued with the approval of the competent authority.

5. The recognized Stock Exchanges and Bharat InvITs Association are advised to disseminate the contents of this Circular on their website.
6. This Circular is available on the website of the Securities and Exchange Board of India at [www.sebi.gov.in](http://www.sebi.gov.in) under the category “Legal” and under the drop down “Circulars”.

**RITESH NANDWANI**  
Deputy General Manager

## 12 **Ease of doing business (EODB) - Policy for joint annual inspection by MIIs – information sharing mechanism– action by Lead MII**

**[Issued by the Securities and Exchange Board of India vide Circular SEBI/HO/MIRSD/MIRSD-PoD/P/CIR/2025/113 dated 07.08.2025]**

1. SEBI vide circular CIR/HO/MIRSD/MIRSD2/CIR/P/2017/73 dated June 30, 2017(hereinafter mentioned as ‘Circular’) and para 14 of Master Circular for stock brokers dated June 17, 2025 (hereinafter mentioned as ‘Master Circular’), specified provisions pertaining to policy for annual inspection of members.
2. Presently, annual inspection of stock brokers/depository participants (‘Brokers’/DPs) are conducted by each of the MIIs (Stock Exchanges/Depositories/Clearing Corporations) separately. Such an exercise unwarrantedly taxes the intermediaries due to frequent visits for inspections by different MIIs which result in disproportionate diversion of resources leading to disruption in the routine operations of the entities.
3. Accordingly, in order to ensure ease of doing business and to take comprehensive view of entity’s operations across all MIIs along with optimum utilization of resources, the following has been decided

### **I. Joint annual inspection instead of separate inspections by MIIs:**

Entities selected for annual inspections shall be inspected for all segments jointly by all exchanges along with their depository participant (DP) operations (if broker is also registered as DP) and clearing activity (if the broker is undertaking clearing for other brokers). DP operations and clearing activity undertaken by entities shall be inspected by Depositories and Clearing Corporations, respectively.

This will ensure that entities selected by MIIs for their annual inspection shall be inspected jointly by all MIIs at one time.

## II. Information sharing mechanism:

In order to improve the effectiveness of supervision, MIIs shall establish an information sharing mechanism with one another for sharing of inspection observations of entities who hold multiple registrations with MIIs.

## III. Rationalization and streamlining of criteria for selection of entities:

- i. It has been decided to revise the criteria for annual inspection as follows:
    - a. Top 25 entities paying high and recurring penalties for non-reporting or short reporting of margin/Client Code modification/CTCL mismatch fines or any other similar high risk compliance issue - shall be inspected irrespective of when they were last inspected.
    - b. Top 25 entities in terms of investor complaints and arbitration cases filed by investors, as percentage of number of active clients shall be inspected irrespective of the fact of when they were last inspected.
    - c. Top 25 entities based on 'High risk score' under Risk Based Supervision.
  - ii. Entities that do not fall under any of the above categories shall be inspected by the MIIs at least once in three years.
  - iii. However, entities inspected in preceding two years by any of the MII's/SEBI and/or entities that have not executed a single trade during last two financial years may not be considered for inspection under the above criteria.
  - iv. Irrespective of the above, inspections of Professional Clearing Members shall be conducted jointly by Clearing Corporations once in two years.
4. Notwithstanding the above, MIIs shall have the prerogative to carry out special purpose/limited inspections based on any triggers like patterns found during investor complaint resolution/Arbitration, complaints on specific malpractices of a broker or references from various authorities. The inspection shall be irrespective of the fact of when the last inspection was carried out.
  5. MIIs are advised to frame a joint Standard Operating Procedure (SOP) by November 01, 2025 for detailed specifications of inspection criteria, information sharing mechanism and designating one MII as a 'Lead MII', which will initiate enforcement action for such inspections.

**ARADHANA VERMA**  
General Manager

*Complete details are not published here for want of space. For complete notification readers may log on to [www.sebi.gov.in](http://www.sebi.gov.in)*

# 13

## Review, Appeal or Waiver of penalty requests emanating out of actions taken by the Member Committee

**[Issued by the Securities and Exchange Board of India vide Circular SEBI/HO/MRD/POD-III/CIR/P/2025/112 dated 05.08.2025]**

1. The Terms of Reference (ToR) of Statutory Committees of Stock Exchanges, Clearing Corporations and Depositories (collectively referred as Market Infrastructure Institutions (MIIs)) have been prescribed under Paragraph 2.2.2 of Chapter 6 of SEBI Master Circular No. SEBI/HO/MRD-PoD2/CIR/P/2024/00181 dated December 30, 2024 for "Stock Exchanges and Clearing Corporations" and under Paragraph 4.66(B) of Section-4 of SEBI Master Circular No. SEBI/HO/MRD/MRD-PoD-1/P/CIR/2024/168 dated December 03, 2024 for "Depositories".
2. One of the ToR of Member Committee (MC) of MIIs on Regulatory Actions states that:  
*"Any review, appeal or waiver of penalty filed shall be placed before MC for its consideration."*
3. In order to further streamline the mechanism for handling of requests for review, appeal or waiver of penalty, based on feedback received from MIIs and deliberations in the Secondary Market Advisory Committee of SEBI (SMAC), the provision at Paragraph 2 above stands modified as under:
  - 3.1. Any request for review, appeal or waiver of penalty filed against actions taken by the Internal Committee (IC) of the Member Committee (MC), or against actions taken by the MII as per pre-approved policy on regulatory action shall be placed before the MC for its consideration.
  - 3.2. Any request for review, appeal or waiver of penalty filed against actions taken by the MC from the date of implementation of this circular shall be handled by a mechanism setup by the Governing Board of the MII with Public Interest Directors and/or Independent External Professionals not forming part of the MC. The Governing Board shall issue the Standard Operating Procedure (SOP) with regard to handling of such review, appeal or waiver of penalty requests, if any, emanating out of actions taken by the MC.
  - 3.3. For further appeal against the decisions emanating out of the appeal mechanism of the MII, the members or participants would be free to approach appropriate authority based on the applicable laws.
4. Applicability: The provisions of the circular shall be applicable from the 45<sup>th</sup> day of issuance of the circular.
5. All MIIs are advised to:
  - 5.1. take necessary steps and put in place necessary systems for implementation of the above;
  - 5.2. make necessary amendments to the relevant byelaws, rules and regulations, wherever required, for the implementation of the above; and
  - 5.3. bring the provisions of this circular to the notice of the market participants (including investors) and disseminate the same on their website.

6. This circular is issued in exercise of the powers conferred under section 11(1) of the Securities and Exchange Board of India Act, 1992 read with Regulation 51 of the Securities Contracts (Regulation) (Stock Exchanges and Clearing Corporations) Regulations, 2018 and section 26(3) of the Depositories Act, 1996 read with Regulation 97 of Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018 to protect the interests of investors in securities and to promote the development of, and to regulate the securities market.
7. This circular is available on SEBI website at [www.sebi.gov.in](http://www.sebi.gov.in) in at "Legal Framework - Circulars."

**HRUDA RANJAN SAHOO**  
Deputy General Manager

**Reserve Bank of India**

## 14 Implementation of Section 51A of UAPA, 1967: Updates to UNSC's 1267/1989 ISIL (Da'esh) & Al-Qaida Sanctions List: Amendments to 05 Entries

**[Issued by the Reserve Bank of India vide RBI/2025-26/76 DOR.AML.REC.48/14.06.001/2025-26 dated 25.08.2025]**

Please refer to paragraph 51 of the RBI Master Direction on Know Your Customer dated February 25, 2016 as amended on August 14, 2025 (MD on KYC), in terms of which "Regulated Entities (REs) shall ensure that in terms of Section 51A of the Unlawful Activities (Prevention) (UAPA) Act, 1967 and amendments thereto, they do not have any account in the name of individuals / entities appearing in the lists of individuals and entities, suspected of having terrorist links, which are approved by and periodically circulated by the United Nations Security Council (UNSC)."

2. In this connection, Ministry of External Affairs (MEA), Government of India has informed about the UNSC press release SC / 16155 dated August 22, 2025 wherein the Security Council Committee pursuant to resolutions 1267 (1999), 1989 (2011) and 2253 (2015) concerning ISIL (Da'esh), Al-Qaida and associated individuals, groups, undertakings and enacted the amendments specified with strikethrough and/or underline in the entries below on its ISIL (Da'esh) and Al-Qaida Sanctions List of individuals and entities subject to assets freeze, travel ban and arms embargo set out in paragraph 1 of Security Council resolution 2734 (2024), and adopted under Chapter VII of the Charter of the United Nations.

**SAIDUTTA SANGRAM KESHARI PRADHAN**  
Chief General Manager

*Complete details are not published here for want of space. For complete notification readers may log on to [www.rbi.org.in](http://www.rbi.org.in)*

## 15 Reserve Bank of India (Know Your Customer (KYC)) (2<sup>nd</sup> Amendment) Directions, 2025

**[Issued by the Reserve Bank of India vide RBI/2025-26/75 DOR.AML.REC.46/14.01.001/2025-26 dated 14.08.2025]**

Reserve Bank had issued Reserve Bank of India (Know Your Customer (KYC)) Directions, 2016 (hereinafter referred to as Master Direction) in compliance of the provisions of the

PML Act, 2002 and the Rules made thereunder. There is a need to further amend the same based on a review of the extant instructions.

2. Accordingly, in exercise of the powers conferred by sections 35A of the Banking Regulation Act, 1949, read with section 56 of the Act *ibid*, sections 45JA, 45K and 45L of the Reserve Bank of India Act, 1934, section 10(2) read with section 18 of Payment and Settlement Systems Act, 2007, section 11(1) of the Foreign Exchange Management Act, 1999, Rule 9(14) of Prevention of Money-Laundering (Maintenance of Records) Rules, 2005 and all other laws enabling the Reserve Bank in this regard, the Reserve Bank being satisfied that it is necessary and expedient in the public interest to do so, hereby issues the Amendment Directions hereinafter specified.

3. (i) These Directions shall be called the Reserve Bank of India (Know Your Customer (KYC)) (2<sup>nd</sup> Amendment) Directions, 2025.

- (ii) These directions shall come into force with immediate effect.

4. These Amendment Directions modify the Reserve Bank of India (Know Your Customer (KYC)) Directions, 2016 as under:

- (i) In paragraph 1, the following words shall be inserted after sub-para 1(b), namely: -

"1(c) The Frequently Asked Questions (FAQs) on KYC may be accessed at the following link - Reserve Bank of India - Frequently Asked Questions ([rbi.org.in](http://rbi.org.in))."

- (ii) In paragraph 11, after the word "disadvantaged", the following words shall be inserted, namely: -

"including the Persons with Disabilities (PwDs). No application for onboarding or periodic updation of KYC shall be rejected without application of mind. Reason(s) of rejection shall be duly recorded by the officer concerned."

- (iii) In paragraph 14, after the word "relationship", the following words shall be inserted, namely: -

"or while carrying out occasional transaction of an amount equal to or exceeding rupees fifty thousand, whether conducted as a single transaction or several transactions that appear to be connected, or any international money transfer operations"

- (iv) In Explanation 2 of paragraph 16, after the word "authentication", the following words shall be inserted, namely: -

"including Aadhaar Face Authentication"

- (v) In paragraph 18 (b) (i), after the words "upon it." The following words shall be inserted, namely: -

"The liveness check shall not result in exclusion of person with special needs."



(vi) In the Appendix,

- a. the following shall be inserted after serial number 205, namely: -  
“205A. DNBS. (PD). CC.164/03.10.042/2009-10 dated November 13, 2009”; and
- b. the following shall be inserted after serial number 206, namely: -  
“206A. DNBS. (PD). CC.No. 171/ 03.10.42/ 2009-10 dated April 23, 2010”.

**SAIDUTTA SANGRAM KESHARI PRADHAN**  
Chief General Manager

## 16 Compliance with Hon'ble Supreme Court Order dated April 30, 2025 in the matter of Pragma Prasun and Ors. vs Union of India (W.P.(C) 289 of 2024) and Amar Jain vs Union of India & Ors. (W.P.(C) 49 of 2025)

**[Issued by the Reserve Bank of India vide RBI/2025-26/74 DoR.MCS. REC.47/01.01.028/2025-26 dated 14.08.2025]**

Attention of regulated entities is drawn to the Order of the Hon'ble Supreme Court dated April 30, 2025 in the matter of Pragma Prasun and Ors. vs. Union of India (W.P.(C) 289 of 2024) and Amar Jain vs. Union of India & Ors. (W.P.(C) 49 of 2025). All regulated entities shall undertake appropriate measures to ensure compliance with the above Supreme Court Order, as applicable.

**VEENA SRIVASTAVA**  
Chief General Manager

## 17 Introduction of Continuous Clearing and Settlement on Realisation in Cheque Truncation System

**[Issued by the Reserve Bank of India vide RBI/2025-26/73 CO.DPSS.RLPD. No.S536/04-07-001/2025-2026 dated 13.08.2025]**

Please refer to the Statement on Developmental and Regulatory Policies dated August 8, 2024, announcing the transition of Cheque Truncation System (CTS) from the current approach of batch processing to continuous clearing with settlement on realisation.

2. It has been decided to transition CTS to continuous clearing and settlement on realisation in two phases. Phase 1 shall be implemented on October 4, 2025 and Phase 2 on January 3, 2026. The modalities for the same are given in Annex.
3. All banks are advised to make their customers adequately aware of the changes in the cheque clearing process.
4. Banks are also advised to be in readiness to participate in continuous clearing in CTS on the above dates.
5. This directive is issued under Section 10 (2) read with Section 18 of Payment and Settlement Systems Act, 2007 (Act 51 of 2007).

**SAURABH NATH**  
Chief General Manager

*Complete details are not published here for want of space. For complete notification readers may log on to [www.rbi.org.in](http://www.rbi.org.in)*

## 18 Investment in Government Securities by Persons Resident Outside India through Special Rupee Vostro account

**[Issued by the Reserve Bank of India vide RBI/2025-26/72 A.P. (DIR Series) Circular No. 09 dated 12.08.2025]**

Attention of Authorised Dealer Category-I (AD Category-I) banks is invited to Schedule 1 to the Foreign Exchange Management (Debt Instruments) Regulations, 2019 notified, vide Notification No. FEMA. 396/2019-RB dated October 17, 2019, and the Foreign Exchange Management (Deposit) Regulations, 2016 notified, vide Notification No. FEMA. 5(R)/2016-RB dated April 01, 2016 as amended from time to time and the relevant Directions issued thereunder. A reference is also invited to the Master Direction - Reserve Bank of India (Non-resident Investment in Debt Instruments) Directions, 2025 dated January 07, 2025 (hereinafter “Master Direction”).

2. Persons resident outside India that maintain a Special Rupee Vostro Account (SRVA) for international trade settlement in Indian Rupees in terms of A.P. (DIR Series) Circular No. 10 dated July 11, 2022 may invest their rupee surplus balance in the aforesaid account in Central Government Securities (including Treasury Bills).
3. Necessary operational instructions in this regard have been incorporated in the Master Direction; and the updated Master Direction is issued herewith.
4. These directions shall come into immediate effect.
5. AD Category – I banks may bring the contents of this circular to the notice of their constituents and customers concerned.
6. The Directions contained in this circular have been issued under sections 10(4) and 11(1) of the Foreign Exchange Management Act, 1999 (42 of 1999) and are without prejudice to permissions/approval, if any, required under any other law.

**DIMPLE BHANDIA**  
Chief General Manager

## 19 Reserve Bank of India (Non-Fund Based Credit Facilities) Directions, 2025

**[Issued by the Reserve Bank of India vide RBI/DOR/2025-26/140 DOR. STR.REC.45/13.07.010/2025-26 dated 06.08.2025]**

### A. Introduction

1. Non-fund based (NFB) facilities like guarantees, letters of credit, co-acceptances etc. facilitate effective credit intermediation and smooth business transactions. In order to harmonize and consolidate guidelines covering these facilities across the entities regulated by the Reserve Bank and to broaden the funding sources for infrastructure financing, the Reserve Bank had issued draft guidelines on NFB facilities for public comments on April 9, 2025. The comments received thereon have been analysed and suitably incorporated in these Directions.

2. In exercise of the powers conferred under sections 21 and 35A read with section 56 of the Banking Regulation Act, 1949, sections 45JA, 45L and 45M of the Reserve Bank of India Act, 1934, and sections 30A, 32 and 33 of the National Housing Bank Act, 1987, the Reserve Bank of India, being satisfied that it is necessary and expedient in the public interest and in the interest of banking policy to do so, hereby, issues the Reserve Bank of India (Non-Fund Based Credit Facilities) Directions, 2025 (hereinafter referred to as 'Directions').

#### B. Applicability

3. These Directions shall apply to the following entities, hereinafter referred to as Regulated Entity (RE) and collectively as Regulated Entities (REs), as the context may require, for all their Non-Fund Based (NFB) exposures such as guarantee, letter of credit, co-acceptance etc., unless otherwise permitted under these Directions or any regulatory guidelines/ directions issued by the Reserve Bank.
  - a. Commercial Banks (including Regional Rural Banks and Local Area Banks);
  - b. Primary (Urban) Co-operative Banks (UCBs)/ State Co-operative Banks (StCBs)/ Central Co-operative Banks (CCBs);
  - c. All India Financial Institutions (AIFIs);
  - d. Non-Banking Financial Companies (NBFCs) including Housing Finance Companies (HFCs) in Middle Layer and above, only for the issuance of Partial Credit Enhancement, as permitted under Chapter IV of these Directions.

*Complete details are not published here for want of space. For complete notification readers may log on to [www.rbi.org.in](http://www.rbi.org.in)*

## 20 Reserve Bank of India (Co-Lending Arrangements) Directions, 2025

**[Issued by the Reserve Bank of India vide Notification No. RBI/DOR/2025-26/139 DOR.STR.REC.44/13.07.010/2025-26 dated 06.08.2025]**

#### Introduction

Regulated entities (REs) can enter into a lending arrangement with other REs for extension of credit to the borrowers, subject to compliance with the extant prudential regulations. While there is no generic regulatory framework for such lending arrangements, co-lending involving banks and NBFCs has gained traction in the wake of a specific regulatory framework being prescribed for the purpose of priority sector lending in terms of circular FIDD.CO.Plan. BC.No.8/04.09.01/2020-21 dated November 5, 2020.

In view of this and to broaden the scope of co-lending, comprehensive revised Directions on co-lending arrangements (CLA) are now being issued with the objective of providing specific regulatory clarity on the permissibility of such arrangements, while addressing some of the prudential as well as conduct related aspects. These Directions are issued in exercise of the powers conferred by the Sections 21 and 35A of the Banking Regulation Act, 1949, read with Section 56 of

the Act *ibid*; Chapter IIIB of the Reserve Bank of India Act, 1934; and Sections 30A, 32 and 33 of the National Housing Bank Act, 1987.

#### Short title and commencement

1. These Directions shall be called Reserve Bank of India (Co-Lending Arrangements) Directions, 2025.
2. These Directions shall come into force from January 1, 2026, or from any earlier date as decided by a RE as per its internal policy ("effective date"). Any new CLA entered into after the effective date shall be in compliance with these Directions.
3. Existing CLAs (i.e., the lending arrangements executed before the date of issuance of these Directions) and new CLAs entered into prior to the effective date shall be in compliance with the extant regulations.

#### Applicability

4. These Directions shall be applicable to CLAs entered into by the following REs:
  - a) Commercial Banks (excluding Small Finance Banks, Local Area Banks and Regional Rural Banks);
  - b) All-India Financial Institutions; and,
  - c) Non-Banking Financial Companies (including Housing Finance Companies).

*Complete details are not published here for want of space. For complete notification readers may log on to [www.rbi.org.in](http://www.rbi.org.in)*

## 21

### International Trade Settlement in Indian Rupees (INR)

**[Issued by the Reserve Bank of India of RBI/2025-2026/71 A.P. (DIR Series) Circular No.08 dated 05.08.2025]**

Attention of Authorised Dealer (AD) Category - I banks is invited to Para 10 of A.P. (DIR Series) Circular No.10 dated July 11, 2022 on the captioned subject.

2. On a review, it has been decided to allow AD banks to open Special Rupee Vostro Accounts (SRVAs) of overseas correspondent banks without referring to the Reserve Bank for approval.
3. The above instruction is applicable with immediate effect. AD banks may bring the contents of this circular to the notice of its constituents and customers concerned.
4. These directions are issued under sections 10(4) and 11(1) of the Foreign Exchange Management Act (FEMA), 1999 (42 of 1999) and are without prejudice to permissions / approvals, if any, required under any other law.

**N. SENTHIL KUMAR**  
Chief General Manager

# 6

## NEWS FROM THE INSTITUTE



- MEMBERS RESTORED DURING THE MONTH OF JULY 2025
- CERTIFICATE OF PRACTICE SURRENDERED DURING THE MONTH OF JULY 2025
- NEW ADMISSIONS
- OBITUARIES
- UPLOADING OF PHOTOGRAPH (PASSPORT SIZE ONLY) AND SIGNATURE
- CHANGE / UPDATION OF ADDRESS





## Institute News

### MEMBERS RESTORED DURING THE MONTH OF JULY 2025

SL. NO.	NAME	MEMB NO.	REGION
1	CS BRIJ MOHAN KANDA	ACS - 3333	NIRC
2	CS AJAY S SHETTY	ACS - 11538	NIRC
3	CS KAMAL PAHUJA	ACS - 11905	NIRC
4	CS G. LALITHA	ACS - 12309	SIRC
5	CS HETALI HARSHADBHAI SHASTRI	ACS - 14340	SIRC
6	CS SHANKER BHATIA	ACS - 17152	NIRC
7	CS KIRIT JAGDISH AMICHANDWALA	ACS - 17438	WIRC
8	CS HARI SURYA SANKA	ACS - 18237	SIRC
9	CS SUNITA GUPTA	ACS - 18430	NIRC
10	CS SACHIN SOMANI	ACS - 20288	WIRC
11	CS ANURAG SHARMA	ACS - 20691	NIRC
12	CS GEETIKA ROHILA	ACS - 21543	NIRC
13	CS RAJANI MAYUR SHIBROOR	ACS - 21666	WIRC
14	CS RASHMI POLEPALLI DEEPAK	ACS - 21852	SIRC
15	CS RAMAKRISHNA KAMOJHALA	ACS - 22413	SIRC
16	CS GAUTAM JAMNADAS THAKKER	ACS - 22563	WIRC
17	CS RASHNA DINYAR DUMASIA	ACS - 25164	WIRC
18	CS KUMAR PUSHKAR	ACS - 25246	NIRC
19	CS SANJEEV KUMAR DHIMAN	ACS - 25879	WIRC
20	CS ANISHA DEEP BABUR	ACS - 25986	WIRC
21	CS SHEETAL SINGH	ACS - 27361	NIRC
22	CS DOLLY MUNJAL	ACS - 30757	NIRC
23	CS SHUBHAM GUPTA	ACS - 31673	NIRC
24	CS JYOTI AGARWAL	ACS - 31905	EIRC
25	CS DEEPALI AGARWAL	ACS - 32364	NIRC

26	CS AFZAL HUSSAIN	ACS - 33434	SIRC
27	CS MOHIT BAID	ACS - 33626	WIRC
28	CS RICHA SUMIT BHIWANIWALA	ACS - 34475	WIRC
29	CS NITISH VYAS	ACS - 34978	SIRC
30	CS SHWETA JAIN	ACS - 35360	NIRC
31	CS BITTHAL GANDHI	ACS - 35534	NIRC
32	CS BHAVNA SAXENA	ACS - 36955	SIRC
33	CS PRIYANKA MAGGU	ACS - 37160	NIRC
34	CS NARENDRA SONI	ACS - 37287	WIRC
35	CS SALONI MANDLIYA	ACS - 38701	WIRC
36	CS KHYATI GULATI	ACS - 39525	WIRC
37	CS RISHABH RAJA	ACS - 40705	SIRC
38	CS URVI HEMANSHU SANGHVI	ACS - 41248	WIRC
39	CS ROSHNI MANMAY PATHAK	ACS - 42001	WIRC
40	CS VIDISHA JAIN	ACS - 42223	NIRC
41	CS RITU PUGLIA	ACS - 42267	EIRC
42	CS SAMEER SAGAR	ACS - 44024	NIRC
43	CS HARISH KUMAR	ACS - 44176	SIRC
44	CS DIVYA SARDA	ACS - 44232	NIRC
45	CS SWATI AGARWAL	ACS - 45331	EIRC
46	CS EKTA MUNDHRA	ACS - 46123	EIRC
47	CS AMIT SHARMA	ACS - 46404	EIRC
48	CS PANKITA RAJESHKUMAR SHAH	ACS - 47299	WIRC
49	CS KIRAN DAVE	ACS - 47397	NIRC
50	CS PUJA MANTRI	ACS - 47406	NIRC
51	CS GITESH KUMAR PRASAD	ACS - 47560	EIRC
52	CS ANKITA PANDEY	ACS - 47812	SIRC
53	CS CHAHAT DHAWAN	ACS - 48156	WIRC
54	CS VISHAL SIKARIYA	ACS - 48432	NIRC
55	CS NEHA LAKHOTIA	ACS - 48732	EIRC
56	CS SHRUTI KHANDELWAL	ACS - 49013	WIRC
57	CS SHAHID IQBAL	ACS - 49629	EIRC
58	CS PRIYANKA NAGVANI	ACS - 49960	NIRC
59	CS SHUBHA MALOO	ACS - 50541	NIRC
60	CS MANJUNATH LAXMINARAYAN HEGDE	ACS - 50677	SIRC
61	CS RENAM AHUJA	ACS - 51202	NIRC
62	CS PAYAL T TEKCHANDANI	ACS - 51830	NIRC

63	CS NAMRATA SHAW	ACS - 52646	EIRC
64	CS PRATHAMESH PRADEEP SATHE	ACS - 52685	WIRC
65	CS JYOTI JAGYANI	ACS - 52708	NIRC
66	CS NISHTHA GUPTA	ACS - 52872	NIRC
67	CS MEHUL GANGARAM VASAIYA	ACS - 53807	WIRC
68	CS HEENA LALWANI	ACS - 53855	NIRC
69	CS KINJAL SUNILBHAI KOTHARI	ACS - 54897	WIRC
70	CS AAKRITI BHATNAGAR	ACS - 55090	NIRC
71	CS KUNJAN JAYESHBHAI MISTRY	ACS - 55494	WIRC
72	CS SRIDHAR RENGAN	ACS - 5563	WIRC
73	CS TANISHKA ANILBHAI DHAMEJANI	ACS - 55827	WIRC
74	CS GEETANJALI SAXENA	ACS - 56666	NIRC
75	CS SHAILESH VILAS KOKANE	ACS - 57025	WIRC
76	CS SIDDHI SUNEJA	ACS - 57747	NIRC
77	CS JYOTIKA AASAT	ACS - 58136	SIRC
78	CS AROGYA MARY J	ACS - 58243	SIRC
79	CS PAYAL ANAND BHALINGE	ACS - 58651	WIRC
80	CS RAGHAV AGARWAL	ACS - 59229	NIRC
81	CS ISHA	ACS - 59254	NIRC
82	CS ANUSHKA RASTOGI	ACS - 59652	SIRC
83	CS NILESH KISAN BORKAR	ACS - 59763	WIRC
84	CS VIKASH VERMA	ACS - 60923	EIRC
85	CS ASHISH GUPTA	ACS - 61292	NIRC
86	CS ASHIMA	ACS - 61565	NIRC
87	CS PANKAJ	ACS - 63750	NIRC
88	CS NISHA RATHI	ACS - 64218	EIRC
89	CS AMOD KUMAR VISHWAKARMA	ACS - 65707	WIRC
90	CS GURJEET KAUR AWAPAL	ACS - 65759	NIRC
91	CS PARUL ADLAKHA	ACS - 66735	NIRC
92	CS HANUMAN SINGH SAINI	ACS - 67095	NIRC
93	CS SHIKHA AGRAWAL	ACS - 68182	NIRC
94	CS NAMITHA D BHOMBORE	ACS - 68258	SIRC
95	CS SHIWANGI SONKHIYA	ACS - 68310	NIRC

96	CS RICHA KANDOI	ACS - 68451	EIRC
97	CS RADHIKA MANGAL	ACS - 69358	NIRC
98	CS KAPIL KUMAR JOSHI	ACS - 69360	NIRC
99	CS HEENA SURANA	ACS - 69769	NIRC
100	CS REET TARUN METHAI	ACS - 69840	WIRC
101	CS DARSHAN KARNANI	ACS - 71922	NIRC
102	CS KETKI SARRAF	ACS - 72455	NIRC
103	CS ISHITA JAIN	ACS - 73139	WIRC
104	CS DEVANG R MEHTA	ACS - 8930	WIRC
105	CS PRATAP R JAIN	FCS - 1069	WIRC
106	CS D E CHANDRASEKARAN	FCS - 1121	SIRC
107	CS KOSHY MATHEW	FCS - 2627	SIRC
108	CS VIKAS A MANOHAR	FCS - 3585	WIRC
109	CS PREET KAMAL SINGH ARORA	FCS - 3655	NIRC
110	CS RAMA KANT	FCS - 4818	WIRC
111	CS ANKIT SINGHAL	FCS - 6573	SIRC
112	CS VAIDYANATHAN KALYANASUNDARAM	FCS - 6726	SIRC
113	CS VINIT SIKKA	FCS - 7292	NIRC
114	CS DEEPAK OMPRAKASH AGRAWAL	FCS - 7770	WIRC
115	CS REEMA ANUJ KATAKIA	FCS - 8328	WIRC
116	CS GOVIND DEORA	FCS - 8585	WIRC
117	CS VISHVASKUMAR B AGRAWAL	FCS - 8802	WIRC
118	CS PRIYANKA SARDA	FCS - 9403	EIRC

### CERTIFICATE OF PRACTICE SURRENDERED DURING THE MONTH OF JULY 2025

SL. NO.	NAME	MEMB NO	COP NO.	REGION
1	CS ANAND BHAGWAN SOMAN	ACS - 25799	27182	WIRC
2	CS HEENA BANGA	ACS - 52239	25115	NIRC
3	CS NISHI JAYANTILAL JAIN	ACS - 44254	24734	WIRC
4	CS MANPREET SINGH	FCS - 7518	13378	NIRC
5	CS NIKKI SRIVASTAVA	ACS - 41741	27708	NIRC
6	CS SUBRAMANIAN SANGEETHA	ACS - 65411	24672	SIRC
7	CS SHANJITA JAIN	FCS - 8157	8103	WIRC
8	CS HIRVI HARSH SHAH	FCS - 13542	22752	WIRC
9	CS PUJA SHREE AGARWAL	ACS - 56253	21405	NIRC
10	CS SIDDHI RADHAKANT SONAWANE	ACS - 57321	26402	WIRC
11	CS AMBIKA SHARMA	FCS - 12193	16671	EIRC

12	CS NANCY AGRAWAL	ACS - 53841	25015	NIRC
13	CS PRIYAMVADA JAISWAL	ACS - 73167	27237	NIRC
14	CS ISHA GUPTA	FCS - 8057	9021	NIRC
15	CS MADHURI GULGULIA	ACS - 42294	20705	SIRC
16	CS MANINDER KUMAR JHA	ACS - 27205	19783	NIRC
17	CS SHWETHA NADIG	ACS - 54399	20199	SIRC
18	CS MAHESH TANEJA	FCS - 2372	27357	NIRC
19	CS MEENU CHAUHAN	FCS - 5340	13341	NIRC
20	CS CHANCHAL GOYAL	ACS - 46519	19051	NIRC
21	CS HEMADRI BAI	ACS - 35634	26300	SIRC
22	CS SHRUTI ANAND KAWTHEKAR	ACS - 22276	13106	WIRC
23	CS SHALINI RAI	ACS - 61128	22953	WIRC
24	CS SUNAINA MAHAJAN	ACS - 57810	22885	NIRC
25	CS DEEPANSHU ARORA	ACS - 44595	27575	NIRC
26	CS KIRTI CHECHANI	ACS - 45886	18726	NIRC
27	CS MANISH BHARTIYA	ACS - 59637	27410	NIRC
28	CS PAYAL KATARIA	FCS - 8110	9156	NIRC
29	CS PHALGUNI CHAKRAVORTY	ACS - 60125	25160	EIRC
30	CS SANJAY KUMAR TAILOR	ACS - 63920	27338	NIRC

31	CS JISHAN AHMED	ACS - 71640	27602	NIRC
32	CS SWETA SHARMA	ACS - 63196	27070	NIRC
33	CS BHAGVANTSINGH HARBHAJAN SINGH GHOTRA	ACS - 28062	25886	WIRC
34	CS LEENA JAIN	FCS - 8500	17661	NIRC
35	CS NAGARAJAN PARAMESWARAN	ACS - 27921	26703	SIRC
36	CS POOJA JAIN	FCS - 11719	21372	NIRC
37	CS K R VIDHYASHANKAR	ACS - 75897	28079	SIRC
38	CS SHAH DEVANG JAYESH BHAI	ACS - 75008	27752	WIRC
39	CS ASHA CHOUHAN	ACS - 68010	25547	NIRC
40	CS JACOB VARGHESE	ACS - 58866	22283	SIRC
41	CS RUCHIKA AGARWAL	ACS - 52590	25977	EIRC
42	CS SANTHANAGOPALAN JAYARAMAN	FCS - 13469	21071	SIRC
43	CS DEEPAK KUMAR	FCS - 13514	20593	NIRC
44	CS PRIYANKA RATHORE	ACS - 71655	27200	WIRC
45	CS POORVI	ACS - 73625	27828	SIRC
46	CS SHIFA SHAKILBHAI MEMON	ACS - 64712	27902	WIRC
47	CS RAHUL AGARWAL	ACS - 38647	22595	NIRC
48	CS SHAILENDRA SINGH	FCS - 12505	12448	NIRC

## NEW ADMISSIONS

For latest admission of Associate and Fellow Members, Life Members of Company Secretaries Benevolent Fund (CSBF), Licentiates and issuance of Certificate of Practice, kindly refer to the link <https://www.icsi.edu/member>



## OBITUARIES

Chartered Secretary deeply regrets to record the sad demise of the following members:

**CS MUKESH KUMAR** (20/07/1971–04/07/2025) an Associate member of the Institute from GANDHINAGAR, Gujarat.

**CS PRABHA SHARMA** (01/05/1963 – 02/05/2025) a Fellow member of the Institute from THANE, Maharashtra.

May the Almighty give sufficient fortitude to the bereaved family members to withstand the irreparable loss.

May the departed souls rest in peace.

## UPLOADING OF PHOTOGRAPH (PASSPORT SIZE ONLY) AND SIGNATURE

Members are requested to ensure that their latest scanned PASSPORT size front-facing colour photograph (in formal wear) and signature in .jpg format (each on light-colored background of not more than 200 kb file size) are uploaded on the online portal of the Institute.

Online Steps for Uploading of photo and signature.

- Use ONLINE SERVICES tab on [www.icsi.edu](http://www.icsi.edu)
- Select Member Portal from dropdown
- Login using your membership number e.g. A1234/F1234
- Enter your password
- Under My Profile --- Click on View and Update
- Upload/update the photo and signature as required
- Press Save button



## CHANGE / UPDATION OF ADDRESS

The members are requested to check and update (if required) your professional and residential addresses ONLINE only through Member Login. Please indicate your correspondence address too.

The steps to see your details in the records of the Institute:

1. Go to [www.icsi.edu](http://www.icsi.edu)
2. Click on **MEMBER** in the menu
3. Click on **Member Search** on the member home page
4. Enter your membership number and check
5. The address displayed is your Professional address (Residential if Professional is missing)

The steps for online change of address are as under:

1. Go to [www.icsi.edu](http://www.icsi.edu)
2. On the Online Services ----select **Member Portal** from dropdown menu
3. Login using your membership number e.g. A1234/F1234
4. Under **My Profile** --- Click on View and update option and check all the details and make the changes required and save
5. To change the mobile number and email id click the side option “**Click Here to update Mobile Number and E-mail Id**”
6. Check the residential address and link the Country-State-District-City and check your address in the fields Add. Line1/Add. Line2 & Add. Line3 (Click Here to change residential address)
  - a) Select the Country<sup>#</sup>
  - b) Select the State
  - c) Select the City
  - d) Submit the Pin code which should be 6 digits without space.
  - e) Then click on “Save” button.
7. Select the appropriate radio button for Employment Status and check your address in the fields Add. Line1/ Add. Line2 & Add. Line3 click the link on the right (Click Here to change Professional address)
  - a) Select the Country<sup>#</sup>
  - b) Select the State
  - c) Select the City
  - d) Submit the Pin code which should be 6 digits without space.
  - e) Then click on “Save” button.
8. Go back to the Dashboard and check if the new address is being displayed.

<sup>#</sup>in case of Foreign Country and State is not available in options then Select “**Overseas**” – A pop-up will open and you can add the “City, District, State” of that Country alongwith Zip code

Members are required to verify and update their address and contact details as required under Regulation 3 of the CS Regulations, 1982 amended till date

For any further assistance, we are available to help you at <http://support.icsi.edu>

### Documents downloadable from the DigiLocker Platform

The National Digital Locker System, launched by Govt. of India, is a secure cloud based platform for storage, sharing and verification of documents and certificates. In the wake of digitization and in an attempt to issue documents to all the members in a standard format and make them electronically available on real-time basis, the Institute of Company Secretaries of India had connected itself with the DigiLocker platform of the Government of India. The initiative was launched on 5<sup>th</sup> October, 2019 in the presence of the Hon'ble President of India.

In addition to their identity cards and Associate certificates, members can also now access and download their Fellow certificates and Certificates of Practice from the Digilocker anytime, anywhere.



#### How to Access:

- Go to <https://digilocker.gov.in> and click on Sign Up
- You may download the Digilocker mobile app from mobile store (Android/iOS)

#### How to Login:

- Signing up for DigiLocker with your mobile number.
- Your mobile number is authenticated by an OTP (one-time password).
- Select a username & password. This will create your DigiLocker account.
- After your DigiLocker account is successfully created, you can voluntarily provide your Aadhaar number (issued by UIDAI) to avail additional services.

#### How to Access your Documents digitally:

Members can download their digital ID Card / ACS / FCS / COP certificate(s) by following the steps given below:

1. Log in to <https://www.digilocker.gov.in> website
2. Go to Central Government and select Institute of Company Secretaries of India
3. Select the option of ID card / Membership Certificate / Practice Certificate
4. For ID Card, enter your membership number e.g. ACS 12345 / FCS 12345.
5. For membership certificate, Enter your membership and select ACS / FCS from drop down.
6. For COP certificate enter your COP number e.g. 12345 and select COP.
7. Click download / generate.
8. The ID Card / Membership certificate / Practice Certificate can be downloaded every year after making payment of Annual Membership fees.

# 7

## MISCELLANEOUS CORNER



- GST Corner
- Ethics in Profession
- CG Corner
- Maritime Corner
- ESG Corner
- MSME Corner
- Gist of ROC & RD Adjudication Orders



### ADVISORY ON EXTENSION OF GSTR-3B DUE DATE IN FEW DISTRICTS OF MAHARASHTRA STATE

The Central Board of Indirect Taxes and Customs (CBIC) has officially extended the due date for filing GSTR-3B for July 2025 from 20<sup>th</sup> August to 27<sup>th</sup> August, 2025 for registered taxpayers in various districts of Maharashtra, following widespread disruption caused by heavy rains and severe monsoon conditions.

#### Extension Details

The revised deadline applies to taxpayers whose principal place of business is located in:

Mumbai (City), Mumbai (Suburban), Thane, Raigad, Palghar.

Source: <https://services.gst.gov.in/services/advisoryandreleases/read/620>

### ADVISORY – SYSTEM ENHANCEMENT FOR ORDER-BASED REFUNDS

- As per the available functionality, taxpayers could claim refunds under the category “On account of Assessment/Enforcement/Appeal/Revision/Any Other Order” (ASSORD) only if:
  - The cumulative amount of the Demand ID showed a negative balance (i.e., refund eligible).
  - The status of the Demand ID was “Refund Due”.

This restriction prevented taxpayers from claiming refunds when individual components (minor heads) of a demand showed negative balances and the overall cumulative balance was zero or positive.

- For the above scenario, several references have been made by the tax payers and tax officers stating that the taxpayers are not able to claim the refund.

Accordingly the following changes have been implemented in the system:

- Refunds can now be claimed irrespective of the Demand ID status.
  - Refunds are allowed even when the cumulative balance is positive or zero, provided any minor head has a negative balance.
  - Only negative balances will be auto-populated in the refund application (Form RFD-01); taxpayers cannot claim any refund for the positive amounts within the demand.
  - Order Number Suggestions: The system automatically suggests the most recent demand order associated with a negative balance such as order-in-original, rectification order or appellate order etc.
  - Tooltips: Clear guidance is provided near the Order No. and Demand ID fields to help taxpayers enter the correct details.
- A comprehensive user manual and FAQs will be shared shortly. In case of any discrepancies or system-related queries, a ticket may be raised with the GST helpdesk

Source: <https://services.gst.gov.in/services/advisoryandreleases/read/621>

### About the Publication:

The objective of this publication “**Decoding ESG: FAQs on ESG & Sustainability**”, is to provide a concise and easy to understand practical guide on various concepts in this emerging domain for ready reference of all the stakeholders. ESG concepts are often loaded with complex jargons and frameworks. Stakeholders often find themselves overwhelmed by the volume of information and the speed of change in this domain. This book, was conceived with the objective of filling this gap. It is designed to serve as a concise and clear guide that simplifies key ESG concepts and offers straightforward answers to frequently asked questions. The idea is to equip the readers with a foundational understanding of the ESG and Sustainability landscape.

The structure of this book follows a question-and-answer format, covering a wide range of themes such as blue economy, greenwashing and other important concepts. This modular structure allows readers to browse topics selectively.

To buy your copy visit: ICSI E-Card at <https://www.icsi.edu/home/icsipublications/>

Amazon at <https://www.amazon.in/>



Month/Year of Release:  
July 2025

Price: Rs. 120/-  
(Excluding Postage)

## Attachments to e-forms – 'Selecting correct file is paramount'

As per Section 22 of the Company Secretaries Act, 1980, “*professional and other misconduct*” shall be deemed to include any act or omission provided in any of the Schedules, but nothing in this section shall be construed to limit or abridge in any way the power conferred or duty cast on the Director (Discipline) under sub-section (1) of Section 21 to inquire into the conduct of any member of the Institute under any other circumstances.

Company Secretaries in Practice are expected to exercise due diligence as to whether the correct file has been selected or picked as attachment in the process of filling or filing or certification of e-forms with the MCA Portal.

A member of the Institute in practice shall be deemed to be guilty of professional misconduct under Clause (7) of Part I of the Second Schedule to the Company Secretaries Act, 1980, if he does not exercise due diligence, or is grossly negligent in the conduct of his professional duties.

### CASE STUDY:

1. A complaint of professional or other misconduct was received against one Practicing Company Secretary (hereinafter referred to as ‘the Respondent’). The Complainant has stated that it has come to their knowledge that certain foreign directors/entities have engaged dummy persons as subscribers to the MOA as well as Directors.
2. The Complainant has *inter alia* stated/alleged against the Respondent that he has registered one Private Limited Company (hereinafter referred to as “the company”) by using forged documents/ falsified addresses/ signatures. During physical verification, it has been observed that the email ID used during the registration of the documents of the company is associated with more than thirty similar shell companies incorporated in various cities in India. The consent given by one Indian national for appointment as Director in the company is in the name of one other Private Limited Company instead of the company which has been incorporated through the Respondent, and it has been wrongly mentioned in the Form DIR-2. Further, the registered office address which was duly certified by one another professional in Form INC-22 contains false statement, wherein the annexed rent agreement has been used as deceit.
3. The Respondent has denied the allegations and *inter alia* stated that the company was incorporated by a consultancy firm/company. For the purpose of incorporation and filing, the promoters of the company authorized him to use the said email ID so that they could easily revert to any legal communication and fulfil its role as advisory whenever required.
4. The Respondent has stated that he was not aware of any of the shell companies where the aforementioned email ID is used. He has further stated that at the time of incorporation of the company wrong form DIR-2 was attached with the Form INC-32 (SPICE) Form inadvertently.
5. The Respondent has also submitted that he had incorporated the company with correspondence address and later another professional has certified the Form INC-22 without his knowledge or consent.
6. The Complainant in his rejoinder has stated that the company is a subsidiary of company incorporated outside India with all promoters having residence outside India and role of Indian director appointed in subsidiary company of foreign company has been very crucial from compliance perspective, but the Respondent has attached wrong Form DIR-2 in appointment which cast serious doubts on his role.
7. The Disciplinary Committee agreed with the *prima facie* opinion of the Director (Discipline) and decided to adjudicate the matter in accordance with Rule 18 of the Company Secretaries (Procedure of Investigations of Professional and Other Misconduct and Conduct of Cases) Rules, 2007 (the Rules) read with the Companies Secretaries Act, 1980 (the Act) to finally conclude as to whether the Respondent is guilty or not in the matter.
8. The Respondent has further submitted that attachment of wrong Form DIR-2 is a clerical mistake and the same can be rectified with the due process of law. Information to be mentioned in Form DIR-2 is correctly mentioned in Form INC-32 (SPICE) and the same has been certified by the Indian Director.
9. The Respondent pleaded not guilty before the Disciplinary Committee and submitted that the mistakes are of clerical in nature and are inadvertent. The Respondent has stated that the company was incorporated by a consultancy firm/ company and during incorporation, the promoters of the company authorized him to use email ID for the purpose of incorporation and filing. The Respondent has admitted that wrong Form DIR-2 was attached inadvertently at the time of incorporation of the company.
10. The Disciplinary Committee observed that the Respondent has certified Form INC-32 (SPICE) for incorporation of the company as a subsidiary of a company incorporated outside India in which Form DIR-2 for appointment of Indian Director was attached which is related to some other company.
11. The Disciplinary Committee after considering the materials on record, the nature of issues involved in the matter and in the totality of the facts and circumstances of the case, held the Respondent ‘Guilty’ of Professional Misconduct under Clause (7) of Part I of the Second Schedule to the Act for not exercising required due diligence. After giving an opportunity of being heard to the Respondent, the Disciplinary Committee passed an order of ‘Reprimand’ and Fine of Rs.10000/- (Rupees Ten Thousand) under Section 21B (3) of the Company Secretaries Act, 1980.

# The UK Stewardship Code 2026

The UK Stewardship Code 2026<sup>1</sup> (the Code) issued in June, 2025 establishes the core Principles of effective stewardship and sets a high standard of transparency for asset owners and asset managers, and for the service providers that support them. The Code is voluntary and it demonstrates an investor's commitment to stewardship and providing transparent reporting on the stewardship they undertake on behalf of their clients and beneficiaries. The Code comprises a set of 'apply and explain' Principles for asset managers and asset owners, and a separate set of Principles for service providers. The principles are supported by information on organisations' context and stewardship policies. The Code offers the flexibility for signatories to apply the principles in ways that are best tailored to their approach and activities. The Code applies from 1 January, 2026 for reporting thereafter.

*The Code applies to:*

- Asset owners such as pension schemes, insurers, foundations, endowments, local government pension pools and sovereign wealth funds.
- Asset managers who manage assets on behalf of UK clients or invest in UK assets.
- Service providers: investment consultants, proxy advisors and engagement providers that support asset owners and asset managers to exercise their stewardship responsibilities.

## UK STEWARDSHIP CODE 2026 FOR ASSET OWNERS AND ASSET MANAGERS

Asset owners and asset managers are accountable for effective stewardship and cannot delegate their responsibility. Stewardship includes making investment decisions, monitoring assets and service providers, engaging with issuers and holding them to account on material issues, collaborating with others, and exercising rights and responsibilities. Capital is invested in a range of asset classes, with investors having different terms and investment periods, rights and levels of influence. Signatories should use the resources, rights and influence available to them to exercise stewardship, no matter how capital is invested.

### • Disclosures for asset owners and asset managers

- A. Describe your organisation, your investment beliefs, your clients or beneficiaries and how that informs your approach to stewardship.
- B. Describe how your resources enable effective stewardship.
- C. Describe your stewardship policies and processes, and how you review them.
- D. Describe how you manage stewardship-related conflicts of interest to put the best interests of clients and beneficiaries first.
- E. Describe how you maintain a dialogue with clients and/or beneficiaries.

### • Principles for asset owners and asset managers

1. Signatories integrate stewardship and investment to deliver long-term sustainable value for their clients and beneficiaries.
2. Signatories identify and respond to market-wide and systemic risks to promote well-functioning financial markets.
3. Signatories engage to maintain or enhance the value of assets.
4. Signatories actively exercise their rights and responsibilities.
5. Signatories integrate stewardship considerations into their selection and oversight of external managers.
6. Signatories monitor and hold to account stewardship service providers.

## UK STEWARDSHIP CODE 2026 FOR SERVICE PROVIDERS

Service providers play a key role in the investment community as they support clients to fulfil their stewardship responsibilities. Service providers applying these Principles include investment consultants, proxy advisors, and engagement service providers. Activities that service providers undertake to support their clients' stewardship may include, but are not limited to, engagement, voting recommendations and execution, data and research, advice and provision of reporting frameworks and standards.

### • Disclosures for service providers

- A. Describe your organisation and the services it provides.
- B. Describe how your governance and resources enable delivery of those services.
- C. Describe your stewardship policies and processes and how you review them.
- D. Describe how you manage conflicts of interest to put the best interests of clients first.

### • Principles for service providers

1. Signatories communicate with clients to understand their objectives and deliver services to support their stewardship.
2. Proxy advisors ensure the quality and accuracy of their research, recommendations and voting implementation.
3. Investment consultants identify and respond to market-wide and systemic risks to promote well-functioning financial markets.
4. Engagement service providers engage on behalf of their clients to maintain or enhance the value of assets.

The purpose of the UK Stewardship Code 2026 is to establish the core Principles of effective stewardship and to set a high standard of transparency for asset owners and asset managers, and for the service providers that support them.

<sup>1</sup> [https://media.frc.org.uk/documents/UK\\_Stewardship\\_Code\\_2026.pdf](https://media.frc.org.uk/documents/UK_Stewardship_Code_2026.pdf)



The ICSI has always committed to explore new areas of opportunity for professionals and to undertake initiatives for their capacity building. The increase in maritime trade over the past three years has significantly boosted employment opportunities across the sector. Growth in cargo handling, expansion of port infrastructure, and rising coastal and inland waterway operations have led to the creation of jobs in logistics, shipping, port operations, shipbuilding, and related industries. In order to create more awareness about the maritime sector amongst the professional fraternity, this “Maritime Corner” is published by the ICSI comprising of key terms and developments in the maritime industry. We hope that this initiative will be useful for professionals in exploring areas of interest and professional opportunities in maritime sector.

## MARITIME TERMINOLOGY

### VESSEL

Vessel is defined<sup>1</sup> as any ship, boat, barge, hovercraft, or structure used for water navigation, including sunken or abandoned vessels.

### CONTRACT OF AFFREIGHTMENT (COA)

Under a CoA, the shipowner provides capacity to transport a certain amount of cargo within a specified period from one place to a destination designated by the customer. All of the ship's operating, voyage and capital costs are borne by the shipowner. The freight rate is normally agreed on a per cargo tonne basis. The freight rate can be fixed or floating, or a combination of both.

### TIME CHARTER

Under time charter vessels are chartered to customers for fixed periods of time at rates that are generally fixed. The charterer pays all voyage costs. The owner of the vessel receives monthly charter payments on a per day basis and is responsible for the payment of all vessel operating expenses (including manning, maintenance, repair and docking) and capital costs of the vessel.

### VESSEL POOL

Arrangement under which vessels owned by different owners are contributed into a pool. The manager of the pool markets the vessels as a single, cohesive fleet, operating them under spot contracts, CoAs and time-charters. The income from the vessels included in the pool is distributed to individual owners according to an agreed upon pool point system whereby each vessel receives its share of the pool's earnings according to the vessel's earning potential.

<sup>1</sup> Section 2 of Admiralty (Jurisdiction and Settlement of Maritime Claims) Act, 2017

## MARITIME LIEN

A maritime lien is a privileged claim upon a ship for services rendered or the injuries caused. The principle of maritime lien states that a ship will be treated as wrongdoer and not the owner. The attachment of the maritime lien will start when the cause of action arises and the lien will survive irrespective of change in ownership of ship.<sup>2</sup>

## MARITIME NEWS

### WORLD MARITIME DAY ON 25<sup>TH</sup> SEPTEMBER, 2025

World Maritime Day is being celebrated on 25<sup>th</sup> September 2025 with global theme of “Our Ocean, Our Obligation, Our Opportunity”. This year theme shines a spotlight on the essential role the ocean plays in sustaining life, livelihoods, and the global economy. It provides half of the oxygen we breathe, feeds billions of people, regulates the climate, and enables more than 80% of global trade through maritime transport. The ocean is also home to countless marine species and a vital source of jobs, food, and economic opportunity for millions. But the ocean faces mounting pressure—from pollution and overuse to the accelerating effects of climate change. Protecting it is not just about saving nature—it is a global responsibility that touches every aspect of human life.

As the largest sector operating in ocean space, the shipping industry plays a crucial role in both facilitating global commerce and advancing ocean protection. It works hand in hand with sectors like tourism, fisheries, and marine research to manage the ocean sustainably. The International Maritime Organization (IMO), through its robust global regulatory framework and wide-ranging technical assistance programmes for its 176 Member States, continues to lead efforts for cleaner, safer seas.

This year theme also highlights the deep interconnection between shipping and broader global initiatives, especially the UN Sustainable Development Goals (SDGs). It is closely tied to SDG 14: Life Below Water, which focuses on conserving and sustainably using marine resources. Since the SDGs were adopted in 2015, Member States have taken concrete action to improve ocean governance. The theme also connects to SDG 13: Climate Action, SDG 9: Industry, Innovation and Infrastructure, and SDG 17: Partnerships for the Goals.

Source: <https://www.un.org/en/observances/maritime-day>

### GOVERNMENT NOTIFIED NEW LAWS TO GOVERN INDIA'S MARITIME AND SHIPPING

The Indian Ports Act, 2025, replacing the colonial-era Indian Ports Act, 1908, was notified on 21<sup>st</sup> August, 2025 as an Act to consolidate the law relating to ports,

<sup>2</sup> Section 9 of Admiralty (Jurisdiction and Settlement of Maritime Claims) Act, 2017



promote integrated port development, facilitate ease of doing business and ensure the optimum utilisation of India's coastline; establish and empower State Maritime Boards for effective management of ports other than major ports; establish the Maritime State Development Council for fostering structured growth and development of the port sector; provide for the management of pollution, disaster, emergencies, security, safety, navigation, and data at ports; ensure compliance with India's obligations under international instruments to which it is a party; take measures for the conservation of ports; provide for adjudicatory mechanisms for the redressal of port-related disputes; and address matters connected therewith or incidental thereto.

**The Merchant Shipping Act, 2025** marks a pivotal shift in India's maritime governance, with a globally aligned legal structure that champions safety, sustainability and the growth of the blue economy. The new legislation was notified on 18<sup>th</sup> August, 2025 replacing the bulky and outdated Merchant Shipping Act, 1958, which had 561 sections. The new law offers a streamlined framework of 16 parts and 325 clauses. It ensures comprehensive adoption of India's obligations under major international conventions, reduces compliance burdens to improve ease of doing business, enhances safety in navigation and life at sea, safeguards the marine environment, strengthens emergency preparedness and salvage operations, boosts tonnage under the Indian flag, and protects India's coastline and maritime interests.

**The Coastal Shipping Act, 2025** was notified on 9<sup>th</sup> August, 2025 as an Act to consolidate and amend the law relating to regulation of coastal shipping, promote coasting trade and encourage domestic participation therein, to ensure that India is equipped with a coastal fleet, owned and operated by the citizens of India for its national security and commercial needs, and for matters connected therewith or incidental thereto. It aims to modernise India's coastal shipping laws, replacing Part XIV of the Merchant Shipping Act, 1958, aligning with global norms.

**The Carriage of Goods by Sea Act, 2025**, replacing the century old 1925 law, was notified on 8<sup>th</sup> August, 2025 as an Act to provide for the responsibilities, liabilities, rights and

immunities attached to carriers with respect to the carriage of goods by sea and for matters connected therewith or related thereto.

**The Bills of Lading Act, 2025**, replacing the 169 years-old colonial era Indian Lading Act, 1856, was notified on 24<sup>th</sup> July, 2025 giving a modern, simplified, and globally aligned legal framework for maritime shipping documentation in India.

Source: <https://egazette.gov.in/>

## GLOBAL AMBASSADORS' ROUNDTABLE MEET ON BLUE ECONOMY

The Ministry of Ports, Shipping and Waterways (MoPSW) hosted the Ambassadors' Roundtable Meet in Delhi on 27<sup>th</sup> August, 2025, convening envoys from 28 nations along with senior officials, industry leaders and multilateral representatives to discuss collaboration ahead of India Maritime Week (IMW) 2025.

During Roundtable meet, foreign envoys welcomed the government's reforms, including five new legislations i.e. the Bills of Lading Act, Carriage of Goods by Sea Act, Merchant Shipping Act, Coastal Shipping Act and the Indian Ports Act, which replace colonial-era laws and align India's framework with global best practices.

The Roundtable meet underlined India's growing role in global maritime trade, sustainable shipping and the blue economy. The deliberations focused on India's core maritime priorities, including strengthening shipbuilding capacity and port-led development to position the country as a global hub. Delegates also highlighted the scope of the blue economy, stressing sustainable growth and livelihoods through responsible use of ocean resources. Discussions emphasised digitalisation in maritime logistics to improve efficiency and transparency, along with the need to accelerate the transition to green shipping through hydrogen-powered and low-emission vessels. The role of IFSC-GIFT City in driving maritime financing was underlined as a key enabler to attract global investment and foster innovation in the sector.

The outcomes of the Roundtable will be integrated into IMW 2025, ensuring the event addresses global stakeholder priorities. IMW is biennial flagship platform of MoPSW bringing together policymakers, investors, and thought leaders to shape the future of Indian ports and logistics. IMW 2025 is being held from 27–31 October 2025 at NESCO Exhibition Centre, Mumbai, spotlighting India's maritime growth through infrastructure, people, and future-ready innovation.

**Source:** <https://www.pib.gov.in/PressReleasePage.aspx?PRID=2161381>

### MOPSW LAUNCHES MAR-a-THON 2025

The Ministry of Ports, Shipping and Waterways (MoPSW), in collaboration with the National Technology Centre for Ports, Waterways & Coasts (NTCPWC), IIT Madras, the National Maritime Complex (NMC) and Chennai Port Authority (ChPA), launched “MAR-a-THON 2025” India's Maritime Hackathon at IIT Madras on 25<sup>th</sup> August, 2025.

MAR-a-THON 2025 organised under the Sagarmala Start-up Innovation Initiative seeks to advance Research, Innovation, Start-ups, and Entrepreneurship (RISE) in the maritime sector and served as the curtain-raiser to India Maritime Week 2025.

**Source:** <https://www.pib.gov.in/PressReleasePage.aspx?PRID=2160758>

### SHIPPING MINISTRY TO EXPLORE DEDICATED SATELLITE TECHNOLOGY FOR THE INDIAN MARITIME SECTOR

Shipping Ministry will explore the possibility of launching a dedicated satellite or acquiring a transponder to strengthen India's maritime governance and port management infrastructure. The proposed system would provide exclusive coverage for Indian coastal waters, inland waterways and port regions, integrating with national maritime databases to offer real-time monitoring of vessel traffic, navigational safety and port operations.

**Source:** <https://www.pib.gov.in/PressReleasePage.aspx?PRID=2160246>

### AWIMA FINALIZE REGIONAL STRATEGY TO ADVANCE GENDER EQUALITY

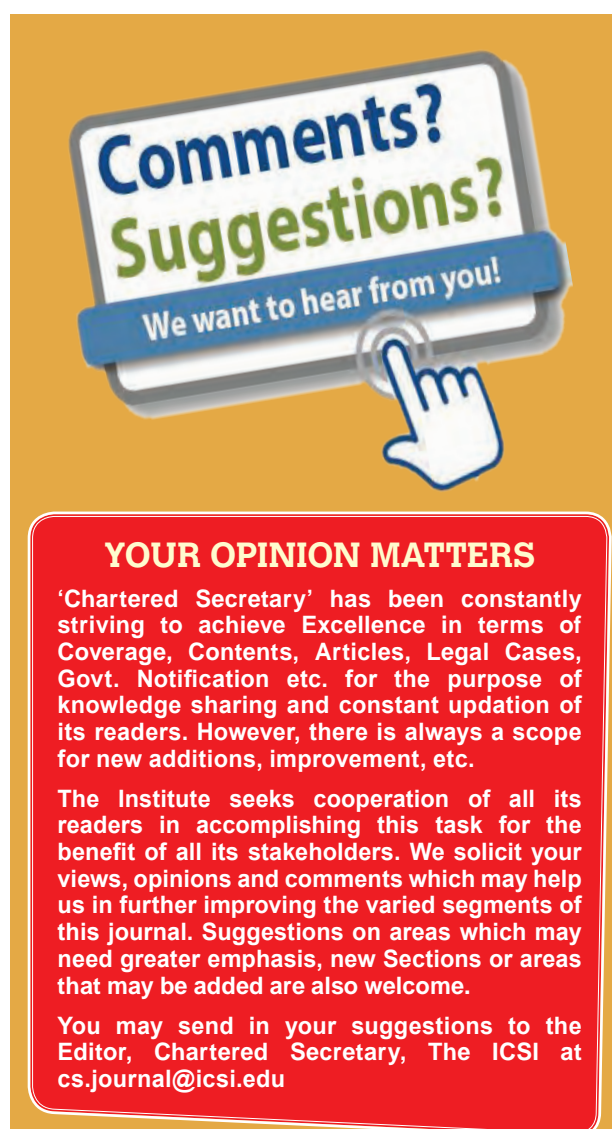
The Arab Women in Maritime Association (AWIMA) has finalized a five-year regional strategy and action plan to boost women's participation in the maritime industry. The strategy was the outcome of a week-long regional workshop in Egypt between 27-31 July.

Over 30 female maritime officials joined the workshop from across the Arab region, representing transport ministries, maritime authorities and training institutes, marking a milestone in embedding women's leadership

in the region's maritime sector. The workshop highlighted specific challenges faced by women in the Middle East and North Africa (MENA) region, including limited policy development, non-inclusive recruitment practices, lack of gender-disaggregated data and cultural restrictions such as unconscious bias and entrenched gender stereotypes.

Participants examined ways to tackle the barriers, aligning regional efforts with IMO's global objectives and its Women in Maritime programme. Possible solutions included boosting visibility for women in leadership roles, supporting policy reforms (such as inclusive hiring policies) and leveraging both IMO technical cooperation for capacity development and partnerships with training institutions. These were incorporated into the regional strategy and action plan which will be further considered by relevant authorities.

**Source:** <https://www.imo.org/en/mediacentre/pages/whatsnew-2301.aspx>



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## INDIA CONSTITUTED A NATIONAL DESIGNATED AUTHORITY TO IMPLEMENT ARTICLE 6 OF THE PARIS AGREEMENT

The Ministry of Environment, Forest and Climate Change (MOEFCC), Government of India vide notification dated 22<sup>nd</sup> August, 2025 announced the constitution of a 'National Designated Authority (NDA),' which is a mandatory requirement under the provisions of the 2015 Paris Agreement to enable a carbon emissions trading regime. NDA is a 21-member committee headed by the Secretary of the MOEFCC. Representatives include officials from the Ministry of the Govt. of India and NITI Aayog among others.

Article 6 of Paris Agreement defines the contours under which such an emissions trading regime, or a market, can take shape. One of the long-standing bones of contention among countries, Article 6, was finally passed by countries at the 29<sup>th</sup> edition of the climate COP in Baku, Azerbaijan, in November 2024. Though most of the necessary nuts and bolts to make operational such a carbon market supervised by a United Nations body were in place since 2022, there were several niggles, particularly on ensuring that the carbon credits generated are genuine and its antecedents are transparent.

National Designated Authority shall, *inter alia*, issue directions with respect to the matters relating to Article 6 of the Paris Agreement based on the decision of the Conference of the Parties to the Paris Agreement.

Source: <https://tinyurl.com/TheHinduNDA>

## EUROPEAN COMMISSION LAUNCHES CONSULTATION ON UPCOMING CIRCULAR ECONOMY LAW

The European Commission plans to propose a Circular Economy Act to enhance the EU's economic security and competitiveness, while promoting more sustainable production, circular economy business models and decarbonisation. The proposed Act will facilitate the free movement of 'circular' products, secondary raw materials and waste. It will also increase the supply of high-quality recycled materials and stimulate demand for these materials in the EU.

The European Commission has launched the consultation and feedback for its upcoming Circular Economy Act, aimed at accelerating the transition to a more circular economy, and targeting goals to double the EU's circularity rate, and establish the EU as the world leader on the circular economy by 2030. Consultation and feedback period is open from 1<sup>st</sup> August 2025 till 6<sup>th</sup> November 2025. The Commission aiming to adopt the Circular Economy Act in 2026.

The circularity rate in the EU has remained nearly flat over the past several years, reaching only 11.8% in 2023

from 10.7% in 2010. The Commission said that it aims to solve a series of problems through its planned upcoming Act, including the EU's dependence on the import of many raw materials, including critical ones, as well as Europe's insufficient resource efficiency and the lack of internalization of the environmental externalities of the linear economy.

Source: <https://tinyurl.com/EUCEA>

## NORWAY LAUNCHES WORLD'S 1<sup>ST</sup> MERCHANT CO<sub>2</sub> STORAGE

Norway begins shipping and storing industrial CO<sub>2</sub> under the seabed in Northern Lights project which is the world's first merchant CO<sub>2</sub> transportation and storage project. The first phase has a capacity of 1.5 million tonnes of carbon dioxide per year, which has already been fully booked by industrial customers in Norway and continental Europe. A final investment decision on the second phase was made in March 2025. That expansion is expected to boost storage capacity to more than 5 million tonnes annually from 2028.

The project has signed agreements with five companies across the region to supply emissions. The Northern Pioneer, a CO<sub>2</sub> transport vessel was docked in Norway as part of the project. The ability to transport and store carbon dioxide provides opportunity to emitting industries to cut their climate impact. CO<sub>2</sub> captured at industrial sites will be liquefied, shipped to an onshore receiving terminal in western Norway and then piped for permanent storage beneath the seabed.

Source: <https://tinyurl.com/norwayCO2seabed>

## SINGAPORE DELAYS CLIMATE DISCLOSURES FOR SMALLER FIRMS

The Accounting and Corporate Regulatory Authority (ACRA) and Singapore Exchange (SGX) have decided to defer climate disclosure requirements for small and mid-sized listed companies. Initially, all companies were to align their reports with the International Sustainability Standards Board (ISSB) standards from January 2025. Now, only the largest companies are required to follow the given timeline, while smaller firms get up to five extra years.

Under the revised plan, Straits Times Index (STI) companies will continue reporting as per ISSB from FY2025. Non-STI listed companies valued above \$1 billion will begin reporting as per ISSB in FY2028, and non-STI listed companies valued below \$1 billion will only need to comply with the requirement in FY2030.

The change comes on the back of recommendations from the Singapore Business Federation, which highlighted that many smaller firms lacked confidence and resources to meet the 2025 deadline. Despite the extensions, all listed companies must report Scope 1 emissions (direct emissions from their operations) and Scope 2 emissions (emissions from purchased electricity) starting this financial year.

Regulators noted that this information is important for tracking a company's decarbonisation progress. When it comes to Scope 3 emissions (indirect emissions from supply chains and product use), STI companies must begin reporting from FY2026. For all other listed companies, Scope 3 reporting is voluntary for now, given the difficulties in measuring these emissions accurately.

Another important change is the delay in external limited assurance. This process involves an independent third party verifying a company's emission data. It was initially supposed to apply sooner, but has now been postponed to FY2029 for listed companies and FY2032 for large non-listed companies. For large non-listed companies (those with revenue above \$1 billion and assets above \$500 million), the requirement to follow ISSB standards has also been delayed, shifting from FY2027 to FY2030.

Regulators explained that the decision reflects the need to balance compliance costs with giving companies time to build up climate reporting capabilities.

Source: <https://tinyurl.com/singaporeclimatedisclosure>

## CHINA TO IMPOSE ABSOLUTE EMISSIONS CAPS FOR CARBON MARKET

China will impose absolute emissions caps in selected industries beginning in 2027, marking a major shift in the country's approach to carbon regulation. The announcement, made by the State Council and Central Committee of the Communist Party, sets out a roadmap for expanding its national carbon market into a fully established emissions trading scheme (ETS) by 2030. The ETS will expand by 2027 to cover major emitting sectors, though specific industries were not listed. Analysts expect chemicals, petrochemicals, papermaking and domestic aviation to be among those included. This builds on China's 2023 commitment to broaden its market beyond the power sector to cover steel, cement, and aluminium — sectors that together account for about 60% of the country's greenhouse gas emissions.

Under the new system, companies will still receive a quota of free carbon emissions allowances (CEAs). If they emit beyond their allocation, they must purchase additional allowances; if they come in under, they can sell the surplus. The regulation also opens participation to banks and financial institutions, a move expected to boost liquidity and strengthen price discovery. Still, experts caution that the system's effectiveness will hinge on reducing the large share of free allowances that have so far limited the market's impact on cutting emissions.

Source: <https://tinyurl.com/chinacarbonmarket>

## WORLD WATER WEEK 2025 OPENS IN STOCKHOLM

World Water Week marks its 35<sup>th</sup> edition this year. Launched in 1991 as a local celebration of clean water, it has evolved into the leading global conference on water issues, co-created in collaboration with over 500 partner organizations. Organized by the Stockholm International Water Institute, this year annual conference theme is "Water for Climate Action" and it will run throughout the week starting from 25<sup>th</sup> August, featuring various sessions and events aimed at accelerating solutions to the climate crisis.

One of the highlights of the water week is a high-level panel discussion on August 26 on "Water's Pathway in Global Processes," where government leaders, UN officials, and representatives from science and civil society will debate how water can shape global agendas from COP30 to the 2026 UN Water Conference. The conference comes ahead of the UN climate change conference in Brazil, also known as COP30, where governments are expected to deepen commitments made under the Paris Agreement.

Source: <https://tinyurl.com/worldwaterconference>

## SINGAPORE & THAILAND SIGN CARBON CREDITS AGREEMENT

Singapore and Thailand have signed a deal for greenhouse gas mitigation. For Singapore, this is its first agreement with an ASEAN country in this regard. The agreement provides set of rules and processes for developing and transferring carbon credits between the two countries.

The countries will focus on a range of projects in areas including forestry, clean energy, and zero-emission transport. For Thailand, channelling funds into these projects will help unlock more opportunities for green development. On the other hand, Singapore will benefit from having access to verified carbon credits. This is mutually beneficial for them to advance their climate targets.

Not only does the deal aim to reduce carbon emissions, but for local communities in Thailand, it also promises tangible benefits. For example, it can bring employment generation, improved waste management, better energy efficiency, and a reduction in environmental pollution. This shows that carbon credit projects can tackle climate change as well as deliver social and economic benefits to people on the ground.

Source: <https://tinyurl.com/singthailand>

## SEC MOVES COURT OVER DISPUTED CLIMATE DISCLOSURE AUTHORITY

The US Securities and Exchange Commission (SEC) is dealing with an unusual legal situation involving its climate disclosure rules. SEC asks court to decide if it had the authority to issue climate disclosure rules. These rules, which were created by a previous commission, would have required publicly traded companies to disclose their greenhouse gas emissions. However, the rules were paused after legal challenges claimed that the SEC overstepped its authority. When President Trump took office, the SEC officially froze the rules.

Instead of going through the normal rule-making process, which involves public engagement and can take years, the current SEC has asked the Court to decide whether it had the legal authority to issue the rules in the first place. A court ruling could limit SEC's future regulatory powers and affect how investors assess climate-related financial risks.

This approach is unusual because SEC should review and reissue rules through the required process when a new administration wants to change them, rather than letting a court limit its own powers. Legal experts say that the SEC appears to be avoiding its legal obligations by not directly deciding on the rules and skipping the public input process.

Source: <https://tinyurl.com/SECClimateRules>

## Will the Compliance Burden on MSMEs be Reduced?

As a vital contributor to India's industrial landscape, the MSME sector plays a crucial role in manufacturing, exports, and employment. With more than 5.93 crore registered MSMEs employing more than 25 crore people, these enterprises generate a significant share of the country's economic output. The Government of India has implemented a series of initiatives aimed at bolstering the Micro, Small, and Medium Enterprises (MSME) sector, recognizing its pivotal role in the economy. These efforts range from financial support and procurement policies to capacity building and market integration.

Key initiatives include the Udyam Registration Portal, PM Vishwakarma scheme, PMEGP, SFURTI, and the Public Procurement Policy for MSEs, all aimed at fostering entrepreneurship, enhancing employment, and integrating informal sectors into the formal economy. These initiatives reflect the government's commitment to supporting MSMEs and driving inclusive economic growth nationwide.

For the purpose of governance, on 9 May 2007, subsequent to an amendment of the Government of India (Allocation of Business) Rules, 1961, the erstwhile Ministry of Small Scale Industries and the Ministry of Agro and Rural Industries were merged to form the Ministry of Micro, Small and Medium Enterprises (M/o MSME). This Ministry now designs policies and promotes/ facilitates programmes, projects and schemes and monitors their implementation with a view to assisting MSMEs and help them to scale up. This institutional strengthening provides MSMEs with a dedicated platform for policymaking, grievance redressal, and reform implementation, thereby improving efficiency and responsiveness to industry concerns.

The Companies Act, 2013 have also supported MSMEs by introducing the concept of "Small Companies" and have provided few exemptions for such small companies. Some of them are as follows:

### 1. Board Meetings (Section 173)

Under Section 173 of the Companies Act, 2013, most companies are required to hold a minimum of four board meetings in a year, with no more than 120 days between two meetings. However, small companies are given relaxation: they are only required to hold at least one board meeting in each half of the calendar year, with a gap of at least 90 days between the two. This reduces compliance burden on small companies, especially those with limited business activity and also saves administrative costs of convening frequent board meetings (venue, notices, minutes, etc.). It still ensures governance by requiring at least two meetings annually.

### 2. Cash Flow Statement (Section 92)

A regular company's financial statements must include: Balance Sheet, Profit & Loss Account, Statement of Changes in Equity, and Cash Flow Statement. Small companies are exempted from preparing a cash flow statement. Preparation of a cash flow statement requires more detailed bookkeeping and professional involvement. Exemption reduces accounting costs and time. Many small companies have simple financial structures where cash flow statements add little analytical value for stakeholders.

### 3. No Pre-Certification for Certain Forms

For many statutory filings under the Companies Act, forms must be certified by a practicing professional (CA, CS, or CMA). Small companies are exempt from such mandatory certification for certain forms like INC-21, INC-22, PAS-3, DIR-12, ADT-1, AOC-4, etc.

### 4. Signing of Financial Statements

Normally, the annual return of a company must be signed by both a director and a Company Secretary (if appointed). In small companies where hiring a full-time Company Secretary is not mandatory, the law allows the annual return to be signed by a single director.

### 5. Simplified Disclosures in Annual Reports

Instead of detailed director remuneration reports, only the total amount paid needs to be disclosed, cutting down lengthy reporting requirements.

### 6. No Mandatory Auditor Rotation

Section 139 of the Companies Act requires auditor rotation every 5 years (for individual auditors) or 10 years (for audit firms) for certain classes of companies. Small companies are exempt from this requirement which reduces disruption and compliance costs.

### 7. Exemptions in Auditor's Report

For larger companies, auditors are required under Section 143(3)(i) to report on the adequacy and effectiveness of internal financial controls. This is a complex audit exercise. Small companies are exempted from this requirement. It allows auditors to focus only on basic statutory financial reporting.

### 8. Easy Mergers (Section 233)

The law provides for a fast-track merger process for small companies, start-ups, and holding-subsidiary combinations. Such mergers do not require approval of the National Company Law Tribunal (NCLT) if there are no objections from the Registrar of Companies (ROC) and the Official Liquidator.



## 9. Reduced Penalties (Section 446B)

Under Section 446B, small companies that default under the Companies Act are subject to only half of the penalty that applies to larger companies. This protects small companies from financial stress due to heavy penalties.

## SPECIAL LEGAL PROVISIONS FOR SMALL COMPANIES

Small private limited companies can merge with another small company without judicial authority approval. Instead, they only need approval from the Central Government (Regional Director) as per the Companies Act, 2013. This mechanism saves time, legal costs, and compliance burden, while still ensuring oversight. It enables faster restructuring, consolidation, and scaling for MSMEs, making mergers more accessible and practical.

## OPPORTUNITIES FOR PROFESSIONALS

While compliance is being reduced, there is a growing need for professionals like Company Secretaries. Their roles are now shifting from procedural to strategic:

1. **Advisory Services:** Helping MSMEs understand which exemptions apply, and how best to structure their business to remain compliant with minimal cost.
2. **Digital Transformation:** Assisting in adoption of MCA21 V3, GST automation, e-invoicing, and integrated reporting systems.
3. **Governance Consulting:** Providing lightweight governance structures tailored for small companies that balance efficiency with investor confidence.

4. **Mergers & Acquisitions Support:** Guiding small companies through fast-track mergers and restructuring.

5. **Capacity Building:** Training promoters and finance managers on compliance literacy, self-certification procedures, and risk awareness.

6. **Global Integration:** Preparing MSMEs for international reporting standards, ESG compliance, and cross-border taxation norms as they expand into exports.

7. **Policy Advocacy:** Professionals can channel industry feedback to regulators and act as a bridge between MSMEs and government.

Thus, with MSMEs, there is a growing need for professionals to focus on higher-value services instead of routine filings.

## CONCLUSION

The cumulative effect of current relaxations, proposed reforms, and digital interventions suggests a clear direction towards enabling MSMEs to focus on growth, competitiveness, and innovation.

At the same time, there will be an increase in the importance of professional advisory and digital governance systems. For MSMEs, this means lower compliance costs and higher ease of doing business. For professionals, this opens up new opportunities in strategic advisory, automation, governance frameworks, and international business integration, ensuring that the ecosystem evolves without compromising accountability and transparency.

*Contributed by CS N. Balasubramanian  
Member, MSME & Startup Board, ICSI*



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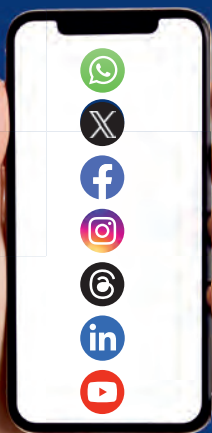
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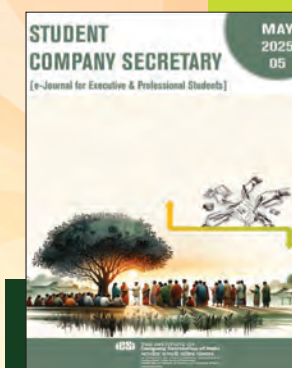
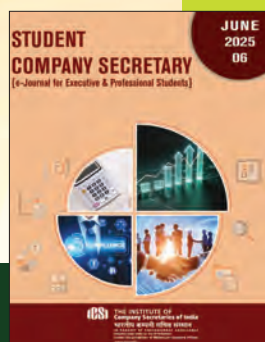
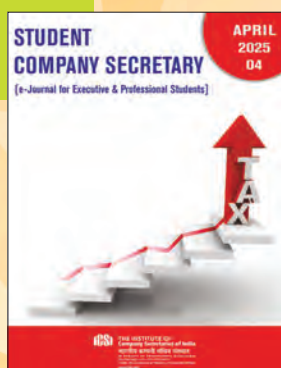
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# GIST OF ROC & RD ADJUDICATION ORDERS

## ROC Adjudication Orders

### 1. Adjudication order for violation of Section 12 of Companies Act, 2013 in the matter of TREE TOP RESORTS AND SPA PRIVATE LIMITED

ROC Ahmedabad issued adjudication order dated 13<sup>th</sup> August, 2025 in the matter of Tree Top Resorts and Spa Private Limited for not maintaining the Registered Office of the company and thus violating the provisions of Section 12(8) of the Companies Act, 2013. The Adjudicating Authority has imposed a penalty of ₹100,000 each upon the company and on two directors in default.

<https://www.mca.gov.in/bin/dms/getdocument?mds=hyz1%2F8Mwdlr1%2F8Ll2manZA%3D%3D&type=open>

### 2. Adjudication order for violation of Section 203 of Companies Act, 2013 in the matter of SHANTI INORGANICS LIMITED (application filed Suo-moto)

Shanti Inorganics Limited, has filed Suo moto application for violating the provisions of Section 203(5) of the Companies Act, 2013 ROC Ahmedabad issued adjudication order dated 13<sup>th</sup> August 2025 that the company which violated the provisions of Section 203(5) in appointment of a whole time Key Managerial Personnel. The Adjudicating Authority has imposed the penalty of ₹5,00,000 upon Company and ₹90,000 each upon four directors in default.

<https://www.mca.gov.in/bin/dms/getdocument?mds=fbdM1eAQUyF2Plout1eA6Q%3D%3D&type=open>

### 3. Adjudication order for violation of Section 167 of Companies Act, 2013 in the matter of MILCENT APPLIANCES PRIVATE LIMITED

ROC Ahmedabad issued adjudication order dated 12<sup>th</sup> August, 2025 in the matter of Milcent Appliances Private Limited for delay in filing the e-form DIR-12 in pursuant to Section 167 of the Companies Act, 2013. The Adjudicating Authority imposed penalty of ₹1,50,000 upon the company and ₹50,000 upon one director of the company in default.

<https://www.mca.gov.in/bin/dms/getdocument?mds=NRdlHbSrOvKrp1d08R7TmQ%3D%3D&type=open>

### 4. Adjudication order for violation of Rule 9A of the Companies (Prospectus and Allotment of Securities) Rules, 2014 in the matter of ORIENTAL MATCHEM LIMITED

ROC Chhattisgarh issued adjudication order dated 20<sup>th</sup> August, 2025 in the matter of Oriental Matchem Limited Company for delay in filing the e-form PAS-6

in pursuant to Rule 9A of the Companies (Prospectus and Allotment of Securities) Rules, 2014. The Adjudicating Authority imposed penalty of ₹70,000 upon the company and ₹50,000 upon three directors of the company in default.

<https://www.mca.gov.in/bin/dms/getdocument?mds=9jVWMRfSdxrwjkYP6HmZQA%3D%3D&type=open>

### 5. Adjudication order for violation of Section 203(5) of Companies Act, 2013 in the matter of NATURA HUE-CHEM LIMITED

ROC Chhattisgarh issued an adjudication order dated 05<sup>th</sup> August, 2025 in the matter of Natura Hue-Chem Limited for the violation of Section 203(5) of the Companies Act, 2013, for failing to appoint a Company Secretary within the prescribed six-month period. The Adjudicating Authority imposed a penalty of ₹500,000 upon the company and a penalty of ₹122,000 each upon two directors in default.

<https://www.mca.gov.in/bin/dms/getdocument?mds=ZqA14TBJ9NC3qiX5P%2Ffojg%3D%3D&type=open>

### 6. Adjudication order for violation of Rule 9A of the Companies (Prospectus and Allotment of Securities) Rules, 2014 in the matter of SHREE NAKODA INFRATECH LIMITED

ROC Chhattisgarh issued an adjudication order dated 1<sup>st</sup> August, 2025 in the matter of Shree Nakoda Infratech Limited for failing to file e-form PAS-6 for the half-year ended 30<sup>th</sup> September 2021, as required by Rule 9A (8) of the Companies (Prospectus and Allotment of Securities) Rules, 2014. The Adjudicating Authority imposed a penalty of ₹200,000 upon the company and a penalty of ₹50,000 each on five directors in default.

<https://www.mca.gov.in/bin/dms/getdocument?mds=ZpXVik7YBi5l0lCT4Y9TYw%3D%3D&type=open>

### 7. Adjudication order for violation of Rule 9A of the Companies (Prospectus and Allotment of Securities) Rules, 2014 in the matter of SHREE NAKODA VIHAR LIMITED

ROC Chhattisgarh issued an adjudication order dated 1<sup>st</sup> August, 2025 in the matter of Shree Nakoda Vihar Limited for failing to file e-form PAS-6 for the half-year ended 30<sup>th</sup> September 2024, as required by Rule 9A(8) of the Companies (Prospectus and Allotment of Securities) Rules, 2014. The Adjudicating Authority imposed a penalty of ₹132,000 upon the company and a penalty of ₹50,000 each on two directors in default. The adjudication proceedings against director Ashok Kumar Goel were dropped due to his demise.

<https://www.mca.gov.in/bin/dms/getdocument?mds=0h3Bccp5LEkeaZsAFnDtpA%3D%3D&type=open>

**8. Adjudication order for violation of Rule 9A of the Companies (Prospectus and Allotment of Securities) Rules, 2014 in the matter of SHREE NAKODA VIHAR LIMITED**

ROC Chhattisgarh issued an adjudication order dated 1<sup>st</sup> August, 2025 in the matter of Shree Nakoda Vihar Limited for failing to file e-form PAS-6 for the half-year ended 31<sup>st</sup> March 2022, as required by Rule 9A (8) of the Companies (Prospectus and Allotment of Securities) Rules, 2014. The Adjudicating Authority imposed a penalty of ₹200,000 upon the company and a penalty of ₹50,000 each on two directors in default. The adjudication proceedings against director Ashok Kumar Goel were dropped due to his demise.

<https://www.mca.gov.in/bin/dms/getdocument?mds=aDl17GcKKrKyLZU0gSTsoQ%3D%3D&type=open>

**9. Adjudication order for violation of Rule 9A of the Companies (Prospectus and Allotment of Securities) Rules, 2014 in the matter of SHREE NAKODA INFRATECH LIMITED**

ROC Chhattisgarh issued an adjudication order dated 1<sup>st</sup> August, 2025 against Shree Nakoda Infratech Limited for failing to file e-Form PAS-6 for the half-year ending 31<sup>st</sup> March 2023, a violation of Rule 9A(8) of the Companies (Prospectus and Allotment of Securities) Rules, 2014. The Adjudicating Authority imposed a penalty of ₹200,000 upon on the company, and ₹50,000 each on five of its directors.

<https://www.mca.gov.in/bin/dms/getdocument?mds=4C7XPyoxYuCWC1fuYkIDow%3D%3D&type=open>

**10. Adjudication order for violation of Rule 9A of the Companies (Prospectus and Allotment of Securities) Rules, 2014 in the matter of SHREE NAKODA INFRATECH LIMITED**

ROC Chhattisgarh issued an adjudication order dated 1<sup>st</sup> August, 2025 against Shree Nakoda Infratech Limited for failing to file e-Form PAS-6 for the half-year ending 30<sup>th</sup> September 2022, a violation of Rule 9A(8) of the Companies (Prospectus and Allotment of Securities) Rules, 2014. The Adjudicating Authority imposed a penalty of ₹200,000 upon on the company, and ₹50,000 each on five of its directors.

<https://www.mca.gov.in/bin/dms/getdocument?mds=eig%2Fi7PqDF1EhJWUabYKig%3D%3D&type=open>

**11. Adjudication order for violation of Rule 9A of the Companies (Prospectus and Allotment of Securities) Rules, 2014 in the matter of SHREE NAKODA INFRATECH LIMITED**

ROC Chhattisgarh issued an adjudication order dated 1<sup>st</sup> August, 2025 against Shree Nakoda Infratech Limited for failing to file e-Form PAS-6 for the half-year ending 31<sup>st</sup> March 2022, a violation of Rule 9A(8) of the Companies (Prospectus and

Allotment of Securities) Rules, 2014. The Adjudicating Authority imposed a penalty of ₹200,000 upon on the company, and ₹50,000 each on five of its directors.

<https://www.mca.gov.in/bin/dms/getdocument?mds=1M4eKOjiRXidRRJOvXILoQ%3D%3D&type=open>

**12. Adjudication order for violation of Rule 9A of the Companies (Prospectus and Allotment of Securities) Rules, 2014 in the matter of SHREE NAKODA VIHAR LIMITED**

ROC Chhattisgarh issued an adjudication order dated 1<sup>st</sup> August, 2025 against Shree Nakoda Vihar Limited for failing to file e-Form PAS-6 for the half-year ending 31<sup>st</sup> March 2023, a violation of Rule 9A(8) of the Companies (Prospectus and Allotment of Securities) Rules, 2014. The Adjudicating Authority imposed a penalty of ₹200,000 upon the company, and ₹50,000 each on two directors in default. The adjudication proceedings against director Ashok Kumar Goel were dropped due to his demise.

<https://www.mca.gov.in/bin/dms/getdocument?mds=PpUaU5hT7hn9ETQO9AlFxQ%3D%3D&type=open>

**13. Adjudication order for violation of Rule 9A of the Companies (Prospectus and Allotment of Securities) Rules, 2014 in the matter of SHREE NAKODA INFRATECH LIMITED**

ROC Chhattisgarh issued an adjudication order dated 1<sup>st</sup> August, 2025 against Shree Nakoda Infratech Limited for failing to file e-Form PAS-6 for the half-year ending 30<sup>th</sup> September 2024, a violation of Rule 9A (8) of the Companies (Prospectus and Allotment of Securities) Rules, 2014. The Adjudicating Authority imposed a penalty of ₹150,000 was imposed on the company, and ₹50,000 each on three of its directors in default.

Raj. <https://www.mca.gov.in/bin/dms/getdocument?mds=1QAK15h982sYNLefBvF2XA%3D%3D&type=open>

**14. Adjudication order for violation of Rule 9A of the Companies (Prospectus and Allotment of Securities) Rules, 2014 in the matter of SHREE NAKODA VIHAR LIMITED**

ROC Chhattisgarh issued an adjudication order dated 1<sup>st</sup> August, 2025 against Shree Nakoda Vihar Limited for failing to file e-Form PAS-6 for the half-year ending 31<sup>st</sup> March 2024, a violation of Rule 9A(8) of the Companies (Prospectus and Allotment of Securities) Rules, 2014. The Adjudicating Authority imposed a penalty of ₹200,000 upon on the company, and ₹50,000 each on two directors in default. The adjudication proceedings against director Ashok Kumar Goel were dropped due to his demise.

<https://www.mca.gov.in/bin/dms/getdocument?mds=SH8ojzHPFGS2oY8rAZkMvQ%3D%3D&type=open>

### 15. Adjudication order for violation of Section 189(6) of the Companies Act, 2013 in the matter of KOVAI MEDICAL CENTER AND HOSPITAL LIMITED

ROC Coimbatore issued an adjudication order dated 5<sup>th</sup> August, 2025 in the matter of Kovai Medical Center and Hospital Limited for failing to record the voting details of directors on contracts or arrangements in the register as per Section 301(1)(e) of the Companies Act, 1956, now corresponding provision under Section 189(6) of the Companies Act, 2013. The Adjudicating Authority imposed a penalty of ₹25,000 upon one director in default. The adjudication proceedings against CS Mr Chittibabu were dropped due to his demise.

<https://www.mca.gov.in/bin/dms/getdocument?mds=PRvHQRXqoNGVK4r4djQVBQ%3D%3D&type=open>

### 16. Adjudication order for violation of Section 197(3) of the Companies Act, 2013 in the matter of HARI MACHINES LIMITED

ROC Cuttack issued an adjudication order dated 28<sup>th</sup> August, 2025 in the matter of Hari Machines Limited for paying managerial remuneration while the company was in a loss and had defaulted on its debts. This action was a violation of Section 197(3) of the Companies Act, 2013, as it required prior Central Government approval, which the company failed to obtain. The Adjudicating Authority imposed a penalty of ₹100,000 each on the Managing Director, and the Company Secretary. The company was not penalized because it is under liquidation.

<https://www.mca.gov.in/bin/dms/getdocument?mds=sJnAQQ%2FXQ2ckT5BFW6Utdg%3D%3D&type=open>

### 17. Adjudication order for violation of Section 138 of the Companies Act, 2013 in the matter of HARI MACHINES LIMITED

ROC Cuttack issued an adjudication order dated 28<sup>th</sup> August, 2025 in the matter of Hari Machines Limited for the violation of Section 138 of the Companies Act, 2013, read with Companies (Accounts) Rules, 2014. The company failed to appoint an internal auditor from the financial year 2015-16 onwards. The Adjudicating Authority imposed a penalty of ₹50,000 each on the Managing Director, and the Company Secretary for their default. The company was not penalized because it is under liquidation.

<https://www.mca.gov.in/bin/dms/getdocument?mds=%2FJzoZokzYhuibQlGf1KgDQ%3D%3D&type=open>

### 18. Adjudication order for violation of Section 197(3) of the Companies Act, 2013 in the matter of HARI MACHINES LIMITED

ROC Cuttack issued an adjudication order dated 28<sup>th</sup> August, 2025 in the matter of Hari Machines Limited for paying managerial remuneration of ₹33,81,300 for the financial year 2015-16 while the company was

in a loss and had defaulted on its debts. This was a violation of Section 197(3) of the Companies Act, 2013, as prior approval from the Central Government was not obtained. The Adjudicating Authority imposed a penalty of ₹100,000 each on the Managing Director, and the Company Secretary. The company was not penalized because it is under liquidation.

<https://www.mca.gov.in/bin/dms/getdocument?mds=84Gq4p4RnQFMkjUfX%2Fq2hg%3D%3D&type=open>

### 19. Adjudication order for violation of Section 39 (5) of the Companies Act, 2013 in the matter of Z ESTATES PRIVATE LIMITED

ROC Cuttack issued an adjudication order dated 28<sup>th</sup> August, 2025 in the matter of Z Estates Private Limited for failing to file the required Form 3 for an allotment of shares made on 21<sup>st</sup> February 2008. This was a violation of Section 75 of the Companies Act, 1956, which is now corresponding provision under Section 39 of the Companies Act, 2013. The Adjudicating Authority imposed a penalty of ₹100,000 each upon the company and one its director for default.

<https://www.mca.gov.in/bin/dms/getdocument?mds=0uRDsrX5S7fTiRLmo92Qyg%3D%3D&type=open>

### 20. Adjudication order for violation of Section 134(3) (h) of the Companies Act, 2013 in the matter of T K INTERNATIONAL LIMITED

ROC Cuttack issued an adjudication order dated 28<sup>th</sup> August, 2025 in the matter of T K International Limited for failing to include Form AOC-2 (details of related party transactions) in its board report for the financial year ended 31<sup>st</sup> March 2015. This was a violation of Section 134(3)(h) of the Companies Act, 2013. The Adjudicating Authority imposed a penalty of ₹300,000 on the company and ₹50,000 each on the two directors in default.

<https://www.mca.gov.in/bin/dms/getdocument?mds=3DfuX6GOVN1o%2FGyzEkruAA%3D%3D&type=open>

### 21. Adjudication order for violation of Section 196(4) of the Companies Act, 2013 in the matter of HARI MACHINES LIMITED

ROC Cuttack issued an adjudication order dated 28<sup>th</sup> August, 2025 in the matter of Hari Machines Limited for the violation of Section 196(4) of the Companies Act, 2013. The company failed to file the Board Resolution for the appointment of Managing Director and failed to obtain shareholder approval in the next general meeting. The Adjudicating Authority imposed a penalty of ₹50,000 each upon the Managing Director and the Company Secretary of the company for their default. The company was not penalized because it is under liquidation.

<https://www.mca.gov.in/bin/dms/getdocument?mds=9W24YdbHaZJnmLSAHxcoKA%3D%3D&type=open>



**22. Adjudication order for violation of Section 71 (8) of the Companies Act, 2013 in the matter of Z ESTATES PRIVATE LIMITED**

ROC Cuttack issued an adjudication order dated 28<sup>th</sup> August, 2025 in the matter of Z Estates Private Limited for failing to convert Fully Convertible Debentures (FCD) into shares within the stipulated timeframe, a violation of Section 71(8) of the Companies Act, 2013. Although the company claimed to have rolled over the conversion date, the Adjudicating Authority found its submission unsatisfactory and imposed a penalty of ₹200,000 upon the company and ₹50,000 upon the director for their default.

<https://www.mca.gov.in/bin/dms/getdocument?mds=wDCvbVw8i9kTpxQ9AV557w%3D%3D&type=open>

**23. Adjudication order for violation of Section 71 (8) of the Companies Act, 2013 in the matter of Z ESTATES PRIVATE LIMITED**

ROC Cuttack issued an adjudication order dated 28<sup>th</sup> August, 2025 in the matter of Z Estates Private Limited for failing to pay debenture interest on an annual basis as per the terms of issue. The company's practice of paying interest only upon redemption was a violation of Section 117C (3) of the Companies Act, 1956, and Section 71(8) of the Companies Act, 2013. The Adjudicating Authority imposed a penalty of ₹200,000 upon the company and ₹50,000 on its director for default.

<https://www.mca.gov.in/bin/dms/getdocument?mds=bvxEOGRriyBRB73MoJE0QQ%3D%3D&type=open>

**24. Adjudication order for violation of Section 136(1) of the Companies Act, 2013 in the matter of HARI MACHINES LIMITED**

ROC Cuttack issued an adjudication order dated 28<sup>th</sup> August, 2025 in the matter of Hari Machines Limited for the violation of Section 136(1) of the Companies Act, 2013. The company failed to place its financial statements and other mandatory documents on its website for the financial year 2017-18. The Adjudicating Authority imposed a penalty of ₹5,000 each on the Managing Director, and the Company Secretary. The company was not penalized as it is under liquidation.

<https://www.mca.gov.in/bin/dms/getdocument?mds=mcUxk0ChdUCIu%2FTROEQeQg%3D%3D&type=open>

**25. Adjudication order for violation of Section 71 (8) of the Companies Act, 2013 in the matter of Z ESTATES PRIVATE LIMITED**

ROC Cuttack issued an adjudication order dated 28<sup>th</sup> August, 2025 in the matter of Z Estates Private Limited for failing to convert its Fully Convertible Debentures (FCD) into shares by the due date of 6<sup>th</sup> November 2014, a violation of Section 71(8) of the Companies Act, 2013. Despite the company's claim that the conversion

period was extended, the Adjudicating Authority imposed a penalty of ₹200,000 on the company and ₹50,000 on its director for default.

<https://www.mca.gov.in/bin/dms/getdocument?mds=Ak%2F0ALIm%2FuHm3pP6vzXxzA%3D%3D&type=open>

**26. Adjudication order for violation of Section 197(3) of the Companies Act, 2013 in the matter of HARI MACHINES LIMITED**

ROC Cuttack issued an adjudication order dated 28<sup>th</sup> August, 2025 in the matter of Hari Machines Limited for paying managerial remuneration while the company was in a loss and had defaulted on its debts during the financial year 2017-18. This was a violation of Section 197(3) of the Companies Act, 2013, as it required prior Central Government approval, which the company failed to obtain. The Adjudicating Authority imposed a penalty of ₹100,000 each upon the Managing Director, and the Company Secretary for default. The company was not penalized as it is under liquidation.

<https://www.mca.gov.in/bin/dms/getdocument?mds=tSOL7Qr3so8cy7Cjy3nrCA%3D%3D&type=open>

**27. Adjudication order for violation of Section 149 of the Companies Act, 2013 in the matter of CHECK POINT SOFTWARE TECHNOLOGIES INDIA PRIVATE LIMITED**

ROC Delhi issued an adjudication order dated 25<sup>th</sup> August, 2025 against Check Point Software Technologies India Private Limited for failing to maintain the minimum number of directors. This was a violation of Section 149 of the Companies Act, 2013. The Adjudicating Authority imposed a penalty of ₹215,500 upon the company and ₹100,000 on one director in default.

<https://www.mca.gov.in/bin/dms/getdocument?mds=mLpIDIY2HNqFr4SnYOzBg%3D%3D&type=open>

**28. Adjudication order for violation of Section 203(4) of the Companies Act, 2013 in the matter of NRSS XXXVI TRANSMISSION LIMITED**

ROC Delhi issued an adjudication order dated 12<sup>th</sup> August, 2025 in the matter of NRSS XXXVI Transmission Limited for violating Section 203(4) of the Companies Act, 2013 by failing to appoint a Company Secretary within the required six-month period. The Adjudicating Authority imposed a penalty of ₹500,000 upon the company and its following directors: Sundeeep Kumar Rai (₹500,000), Satyanarayana Sunkari (₹309,000), Sudip Dutta (₹500,000), Suvarna Shankar Wadekar (₹500,000), Rahul Ramesh Singh (₹425,000), and Nishikant Upadhyay (₹500,000) for default.

<https://www.mca.gov.in/bin/dms/getdocument?mds=fOArFownV8nE6cOManNCQ%3D%3D&type=open>

### 29. Adjudication order for violation of Section 134(8) of the Companies Act, 2013 in the matter of DHARIWAL BUILDTECH LIMITED

ROC Delhi issued an adjudication order dated 8<sup>th</sup> August, 2025 in the matter of Dhariwal Buildtech Limited for violating Section 134(8) of the Companies Act, 2013. The company failed to include mandatory disclosures in its Board's Report for the financial year 2022-23, which constituted an incomplete report. The Adjudicating Authority imposed a penalty of ₹300,000 upon the company, and ₹50,000 on one of the directors for default.

<https://www.mca.gov.in/bin/dms/getdocument?mds=sedzRAM81neRFib0coll0Q%3D%3D&type=open>

### 30. Adjudication order for violation of Section 134(8) of the Companies Act, 2013 in the matter of DHARIWAL BUILDTECH LIMITED

ROC Delhi issued an adjudication order dated 8<sup>th</sup> August, 2025 in the matter of Dhariwal Buildtech Limited for violating Section 134(8) of the Companies Act, 2013 by failing to include disclosures about related party contracts in its Board's Report for the financial year 2023-24. The Adjudicating Authority imposed a penalty of ₹300,000 upon the company and ₹50,000 on its one of the directors for his default.

<https://www.mca.gov.in/bin/dms/getdocument?mds=CelQ5S2RDjcX8WMIBzURsQ%3D%3D&type=open>

### 31. Adjudication order for violation of Section 134(8) of the Companies Act, 2013 in the matter of DHARIWAL BUILDTECH LIMITED

ROC Delhi issued an adjudication order dated 8<sup>th</sup> August, 2025 in the matter of Dhariwal Buildtech Limited for violating Section 134(8) of the Companies Act, 2013 by failing to include several mandatory disclosures in its Board's Report for the financial year 2020-21. The Adjudicating Authority imposed a penalty of ₹300,000 upon the company and ₹50,000 on its one of the directors for his default.

<https://www.mca.gov.in/bin/dms/getdocument?mds=CelQ5S2RDjcX8WMIBzURsQ%3D%3D&type=open>

### 32. Adjudication order for violation of Section 42(4) of the Companies Act, 2013 in the matter of RECREATIONS LAB PRIVATE LIMITED (application filed Suo moto)

Recreations Lab Private Limited, has filed Suo moto application for violating the provisions of Section 42(4) of the Companies Act, 2013 ROC Delhi issued an adjudication order dated 5<sup>th</sup> August, 2025 that the company which violated the provisions of Section 42(4) using money from a private placement of securities before filing the return of allotment with the Registrar.

The Adjudicating Authority imposed a penalty of ₹200,000 upon the company and a penalty of ₹100,000 each on its two of the directors for their default (small company).

<https://www.mca.gov.in/bin/dms/getdocument?mds=mdTkbV11N6oxxGiJq81Uiw%3D%3D&type=open>

### 33. Adjudication order for violation of Section 178 of the Companies Act, 2013 in the matter of DHARIWAL BUILDTECH LIMITED

ROC Delhi issued an adjudication order dated 5<sup>th</sup> August, 2025 in the matter of Dhariwal Buildtech Limited for violating Section 178(3) of the Companies Act, 2013 by failing to constitute a Nomination and Remuneration Committee and the company also failed to make the required disclosures in its Board's Reports. The Adjudicating Authority imposed a penalty of ₹500,000 on the company and ₹100,000 on its one of the directors in default.

<https://www.mca.gov.in/bin/dms/getdocument?mds=MfiFDZLveU69wd9Mq43wJQ%3D%3D&type=open>

### 34. Adjudication order for violation of Section 149 of the Companies Act, 2013 in the matter of DHARIWAL BUILDTECH LIMITED

ROC Delhi issued an adjudication order dated 1<sup>st</sup> August, 2025 in the matter of Dhariwal Buildtech Limited for violating Section 149 of the Companies Act, 2013, by failing to appoint the required number of independent directors after its turnover exceeded the threshold of ₹100 crores in the financial year 2018-19. The Adjudicating Authority imposed a penalty of ₹300,000 on the company and ₹100,000 on one its directors in default.

<https://www.mca.gov.in/bin/dms/getdocument?mds=WQVZQuWji%2FkQzusF1y5wCA%3D%3D&type=open>

### 35. Adjudication order for violation of Section 135 of the Companies Act, 2013 in the matter of DHARIWAL BUILDTECH LIMITED

ROC Delhi issued an adjudication order dated 1<sup>st</sup> August, 2025 in the matter of Dhariwal Buildtech Limited for violating Section 135(1) of the Companies Act, 2013 by failing to properly constitute a CSR Committee and not including the annual CSR report in its Board's Reports. The Adjudicating Authority imposed a penalty of ₹200,000 on the company and ₹50,000 on one its directors in default.

<https://www.mca.gov.in/bin/dms/getdocument?mds=eLQSRlMPIKZwvadtthCVQ%3D%3D&type=open>

**36. Adjudication order for violation of Section 137 of the Companies Act, 2013 in the matter of INNER HEADS FACILITATION SERVICES PRIVATE LIMITED**

ROC Goa issued an adjudication order dated 12<sup>th</sup> August, 2025 in the matter of Inner Heads Facilitation Services Private Limited for violating Section 137(3) of the Companies Act, 2013 by failing to file its financial statements for the financial year 2022-23. The Adjudicating Authority imposed a penalty of ₹37,250 upon the company and a penalty of ₹25,000 each on its two directors in default.

<https://www.mca.gov.in/bin/dms/getdocument?mds=eKVcJ6CycQ2UMRAYywsuTA%3D%3D&type=open>

**37. Adjudication order for violation of Section 137 of the Companies Act, 2013 in the matter of INNER HEADS FACILITATION SERVICES PRIVATE LIMITED**

ROC Goa issued an adjudication order dated 12<sup>th</sup> August, 2025 in the matter of Inner Heads Facilitation Services Private Limited for violating Section 137(3) of the Companies Act, 2013 by failing to file its financial statements for the financial year 2023-24. The Adjudicating Authority imposed a penalty of ₹19,000 each upon the company and on two directors in default.

<https://www.mca.gov.in/bin/dms/getdocument?mds=ep6GQ4XDE5HHaBJCTIMe6w%3D%3D&type=open>

**38. Adjudication order for violation of Section 135 of the Companies Act, 2013 in the matter of GKB HI-TECH LENSES PRIVATE LIMITED**

ROC Goa issued an adjudication order dated 4<sup>th</sup> August, 2025 in the matter of GKB Hi-Tech Lenses Private Limited for violating the provisions of Section 135 of the Companies Act, 2013 by failing to spend the required CSR amount for the year 2017. The Adjudicating Authority imposed a penalty of ₹200,000 upon the company and a penalty of ₹50,000 each on its four of the directors in default.

<https://www.mca.gov.in/content/mca/global/en/data-and-reports/rd-roc-info/roc-adjudication-orders.html>

**39. Adjudication order for violation of Section 134(3) of the Companies Act, 2013 in the matter of GKB HI-TECH LENSES PRIVATE LIMITED**

ROC Goa issued an adjudication order dated 4<sup>th</sup> August, 2025 in the matter of GKB Hi-Tech Lenses Private Limited for violating the provisions of Section 134(3) of the Companies Act, 2013 by failing to report on suspicious transactions identified by its statutory auditor in the Director's Report for the year 2016. The Adjudicating Authority imposed a penalty of ₹300,000 upon the company and a penalty of ₹50,000 each on its four directors in default.

<https://www.mca.gov.in/bin/dms/getdocument?mds=ITOsXdn9mqt2meiToOH24w%3D%3D&type=open>

**40. Adjudication order for violation of Section 42 of the Companies Act, 2013 in the matter of CHIRAHARIT LIMITED**

ROC Hyderabad issued an adjudication order dated 20<sup>th</sup> August, 2025 in the matter of Chiraharit Limited for violating Section 42(10) of the Companies Act, 2013 by failing to open a separate bank account for receiving application money from a private placement of shares in June 2016. The Adjudicating Authority imposed a penalty of ₹24,00,000 upon the company and a penalty of ₹24,00,000 each on its four directors in default.

<https://www.mca.gov.in/bin/dms/getdocument?mds=mN4EeU2mm3IEuVEky9tNIw%3D%3D&type=open>

**41. Adjudication order for violation of Section 173 of the Companies Act, 2013 in the matter of PONDICHERRY -TINDIVANAM TOLLWAY PRIVATE LIMITED**

ROC Hyderabad issued an adjudication order dated 12<sup>th</sup> August, 2025 in the matter of Pondicherry-Tindivanam Tollway Private Limited for violating Section 173(1) of the Companies Act, 2013, due to a gap of 268 days between two consecutive Board meetings held on 4<sup>th</sup> September, 2023 and 31<sup>st</sup> May, 2024, which exceeds the permitted limit of 120 days. The Adjudicating Authority imposed a penalty of ₹25,000 each on three of its directors in default.

<https://www.mca.gov.in/content/mca/global/en/data-and-reports/rd-roc-info/roc-adjudication-orders.html>

**42. Adjudication order for violation of Section 39 of the Companies Act, 2013 in the matter of WELLNESS FOREVER MEDICARE LIMITED (application filed Suo moto)**

Wellness Forever Medicare Limited, has filed Suo moto application for violating the provisions of Section 39(5) of the Companies Act, 2013. ROC Mumbai issued an adjudication order dated 28<sup>th</sup> August, 2025 that the company which violated the provisions of Section 39(5) by delaying the filing of Form PAS-3 for an allotment of 3,000 equity shares. The Adjudicating Authority imposed a penalty of ₹35,000 upon the company and a penalty of ₹35,000 each on four directors in default.

<https://www.mca.gov.in/bin/dms/getdocument?mds=APX5pCa68rlgCy0OCFQXmA%3D%3D&type=open>

**43. Adjudication order for violation of Section 134 of the Companies Act, 2013 in the matter of LIVING LIQUIDZ INDIA PRIVATE LIMITED**

ROC Mumbai issued an adjudication order dated 28<sup>th</sup> August, 2025 in the matter of Living Liquidz India Private Limited for violating Section 134(2) of the Companies Act, 2013 by failing to attach the auditor's report to its financial statements for the



financial year 2023-24. The Adjudicating Authority imposed a penalty of ₹300,000 upon the company and a penalty of ₹50,000 each on two directors in default.

<https://www.mca.gov.in/bin/dms/getdocument?mds=MxXYMwSjvttRLvNx3v7XOA%3D%3D&type=open>

**44. Adjudication order for violation of Section 56 of the Companies Act, 2013 in the matter of HAZEL AGRICULTURAL TECHNOLOGIES PRIVATE LIMITED**

ROC Mumbai issued an adjudication order dated 28<sup>th</sup> August, 2025 in the matter of Hazel Agricultural Technologies Private Limited for violating Section 56(4) of the Companies Act, 2013 by delaying the issuance of share certificates to its initial subscribers. The Adjudicating Authority imposed a penalty of ₹50,000 on the company and each on three directors in default.

<https://www.mca.gov.in/bin/dms/getdocument?mds=FcWQ7lzkmbhZ41SNyKSe%2FA%3D%3D&type=open>

**45. Adjudication order for violation of Section 203 of the Companies Act, 2013 in the matter of CONSTRO SOLUTIONS LIMITED**

ROC Mumbai issued an adjudication order dated 28<sup>th</sup> August, 2025 in the matter of Constro Solutions Limited for violating Section 203(4) of the Companies Act, 2013 by failing to appoint a Company Secretary within the stipulated six-months period after the previous one's resignation. The Adjudicating Authority imposed a penalty of ₹500,000 on the company and a penalty of ₹498,000 each on three directors in default.

<https://www.mca.gov.in/bin/dms/getdocument?mds=pMy51Vr6wxDauz0KIWH9sQ%3D%3D&type=open>

**46. Adjudication order for violation of Section 12 of the Companies Act, 2013 in the matter of HAWK AEROSPACE PRIVATE LIMITED**

ROC Mumbai issued an adjudication order dated 28<sup>th</sup> August, 2025 in the matter of Hawk Aerospace Private Limited for not maintaining the Registered Office of the company and thus violating the provisions of Section 12 of the Companies Act, 2013. The Adjudicating Authority imposed the penalty of ₹50,000 each upon the company and on two Directors in default.

<https://www.mca.gov.in/bin/dms/getdocument?mds=ujlVaQCn8QR9c5%2FxEvNhw%3D%3D&type=open>

**47. Adjudication order for violation of Section 86 of the Companies Act, 2013 in the matter of WELLNESS FOREVER MEDICARE LIMITED**

ROC Mumbai issued an adjudication order dated 28<sup>th</sup> August, 2025 in the matter of Wellness Forever Medicare Limited for violating Section 86 of the Companies Act, 2013 by failing to register a charge created in favour of HDFC Bank Limited within the

stipulated 30-day period. The Adjudicating Authority imposed a penalty of ₹500,000 upon the company and a penalty of ₹50,000 each on its five directors in default.

<https://www.mca.gov.in/bin/dms/getdocument?mds=HuAog4aBgH2CIRxjsdpLZQ%3D%3D&type=open>

**48. Adjudication order for violation of Section 42 of the Companies Act, 2013 in the matter of QUICKINSURE INSURANCE BROKERS PRIVATE LIMITED**

ROC Pune issued an adjudication order dated 18<sup>th</sup> August, 2025 in the matter of Quickinsure Insurance Brokers Private Limited for violating Section 42(10) of the Companies Act, 2013 by failing to keep application money in a separate bank account and utilizing the funds before allotment and filing of the return of allotment for FY 2022-23. The Adjudicating Authority imposed a penalty of ₹200,000 upon the company and a penalty of ₹100,000 each on two directors in default.

<https://www.mca.gov.in/content/mca/global/en/data-and-reports/rd-roc-info/roc-adjudication-orders.html>

**49. Adjudication order for violation of Section 42 of the Companies Act, 2013 in the matter of QUICKINSURE INSURANCE BROKERS PRIVATE LIMITED**

ROC Pune issued an adjudication order dated 18<sup>th</sup> August, 2025 in the matter of Quickinsure Insurance Brokers Private Limited for violating Section 42(10) of the Companies Act, 2013, by failing to keep application money in a separate bank account and utilizing the funds before allotment and filing of the return of allotment for FY 2023-24. The Adjudicating Authority imposed a penalty of ₹200,000 upon the company and a penalty of ₹100,000 each on two directors in default.

<https://www.mca.gov.in/bin/dms/getdocument?mds=kjHsV1jliHA6qjISgHEF1A%3D%3D&type=open>

**50. Adjudication order for violation of Section 42 of the Companies Act, 2013 in the matter of QUICKINSURE INSURANCE BROKERS PRIVATE LIMITED**

ROC Pune issued an adjudication order dated 18<sup>th</sup> August, 2025 in the matter of Quickinsure Insurance Brokers Private Limited for Section 42(10) of the Companies Act, 2013, by failing to keep application money in a separate bank account and utilizing the funds before allotment and filing of the return of allotment. The Adjudicating Authority imposed a penalty of ₹200,000 upon the company and a penalty of ₹100,000 each on two directors in default.

<https://www.mca.gov.in/bin/dms/getdocument?mds=LrUC5Rcy8zgNX%2FydCKrRYQ%3D%3D&-type=open>

**51. Adjudication order for violation of Section 149 of the Companies Act, 2013 in the matter of THREE SEASONS EXIM LIMITED**

ROC Vijayawada issued an adjudication order dated 28<sup>th</sup> August, 2025 in the matter of Three Seasons Exim Limited for violating Section 149 of the Companies Act, 2013. The company failed to appoint independent directors as required by Section 149(4), despite having a paid-up capital of over ₹10 crore since FY 2018. The Adjudicating Authority imposed a penalty of ₹300,000 on the company and ₹100,000 each on four directors in default.

<https://www.mca.gov.in/bin/dms/getdocument?mds=2hWe74oMW4JlNhYczhZgJw%3D%3D&type=open>

**52. Adjudication order for violation of Section 29 of the Companies Act, 2013 in the matter of THREE SEASONS EXIM LIMITED**

ROC Vijayawada issued an adjudication order dated 28<sup>th</sup> August, 2025 in the matter of Three Seasons Exim Limited for violating Section 29 of the Companies Act, 2013 by failing to facilitate the dematerialization of its existing securities. The Adjudicating Authority imposed a penalty of ₹200,000 on the company and a penalty of ₹50,000 each on three directors in default.

<https://www.mca.gov.in/bin/dms/getdocument?mds=OkpcwElqfaMiaA7bjEdgLg%3D%3D&type=open>

**53. Adjudication order for violation of Section 101 of the Companies Act, 2013 in the matter of THREE SEASONS EXIM LIMITED**

ROC Vijayawada issued an adjudication order dated 28<sup>th</sup> August, 2025 in the matter of Three Seasons Exim Limited for violating Section 101 of the Companies Act, 2013 by failing to send a notice for an Extraordinary General Meeting (EGM) held on 12<sup>th</sup> December 2016 to a member. The Adjudicating Authority imposed a penalty of ₹200,000 on the company and ₹50,000 each on three directors in default.

<https://www.mca.gov.in/bin/dms/getdocument?mds=jlJPvEMi72g7hUifl1riEA%3D%3D&type=open>

**54. Adjudication order for violation of Section 134 of the Companies Act, 2013 in the matter of THREE SEASONS EXIM LIMITED**

ROC Vijayawada issued an adjudication order dated 05<sup>th</sup> August, 2025 in the matter of Three Seasons Exim Limited for violating Section 134(3) of the Companies Act, 2013. The company failed to attach a declaration from its independent directors to the board's report for the financial year 2022-2023. The Adjudicating Authority imposed a penalty of ₹300,000 on the company and ₹50,000 each on four directors in default.

<https://www.mca.gov.in/bin/dms/getdocument?mds=Y%2FvyujDbvMyvCTZfiOuHg%3D%3D&type=open>

**55. Adjudication order for violation of Section 134 of the Companies Act, 2013 in the matter of THREE SEASONS EXIM LIMITED**

ROC Vijayawada issued an adjudication order dated 05<sup>th</sup> August, 2025 in the matter of Three Seasons Exim Limited for violating Section 134(3) of the Companies Act, 2013. The company failed to attach a declaration from its independent directors to the board's report for the financial year 2019-2020. The Adjudicating Authority imposed a penalty of ₹300,000 on the company and ₹50,000 each on four directors in default.

<https://www.mca.gov.in/bin/dms/getdocument?mds=qAJs56Sdw740RdP2npsnA%3D%3D&type=open>

**56. Adjudication order for violation of Section 134 of the Companies Act, 2013 in the matter of THREE SEASONS EXIM LIMITED**

ROC Vijayawada issued an adjudication order dated 05<sup>th</sup> August, 2025 in the matter of Three Seasons Exim Limited for violating Section 134(3) of the Companies Act, 2013. The company failed to attach a declaration from its independent directors to the board's report for the financial year 2021-2022. The Adjudicating Authority imposed a penalty of ₹300,000 on the company and ₹50,000 each on four directors in default.

<https://www.mca.gov.in/bin/dms/getdocument?mds=4vnW3ZorvkLcCLKmfdCx%3D%3D&type=open>

**RD Adjudication Orders**

**1. Adjudication order for violation of Section 134 of the Companies Act, 2013 in the matter of STANLEY LIFESTYLES LIMITED**

In the matter of Stanley Lifestyles Limited the *RD (Hyderabad)* vide order dated 13<sup>th</sup> August, 2025 after considering the facts of the case rejected the appeal against the RoC Bangalore order upon the Company and directors in default for violation of Section 134 of the Companies Act, 2013.

<https://www.mca.gov.in/bin/dms/getdocument?mds=z7m4W2L%2FuS78lyY1LS8oXw%3D%3D&type=open>

**2. Adjudication order for violation of Section 12 of the Companies Act, 2013 in the matter of LISUS GLASS & METAL PRODUCTS PRIVATE LIMITED**

In the matter of Lisus Glass & Metal Products Private Limited the *RD (Hyderabad)* vide order dated 12<sup>th</sup> August, 2025 after considering the facts of the case rejected the appeal against the RoC Bangalore upon the Company and directors in default for violation of Section 12(8) of the Companies Act, 2013.

<https://www.mca.gov.in/bin/dms/getdocument?mds=YVQV7Rrcfqd1Dz2zDBS15g%3D%3D&type=open>



**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"

सत्यं वद। धर्मं चर।

#### Motto

इष्टाकं कुरु तृप्तोः श्रेयते ह्यु कुरु त्वत्तु

#### Mission

"To develop high calibre professionals facilitating good corporate governance"

# PREVENTION OF MONEY-LAUNDERING ACT, 2002

## Anti-Money Laundering/Countering the Financing of Terrorism (AML/CFT) Guidelines

Prevention of Money-laundering Act, 2002 casts certain obligations on the reporting entities and Financial Intelligence Unit- INDIA have implemented AML & CFT Guidelines effective from June 19, 2023 for Professionals including Company Secretaries in Practice to establish an efficient reporting mechanism to prevent money laundering, terrorist financing and proliferation financing.

### Reporting Entity

(As notified by Ministry of Finance vide its notification dated May 03, 2023)

Company Secretaries in Practice, carrying out the following Financial Transactions in the course of his/her profession would be termed as 'Reporting entity' under PMLA and Rules made thereunder:

- buying and selling of any immovable property
- managing of client money, securities or other assets
- management of bank, savings or securities accounts
- organisation of contributions for the creation, operation or management of companies
- creation, operation or management of companies, limited liability partnerships or trusts, and buying and selling of business entities



### Applicable Laws/Rules/Regulations

- Prevention of Money-Laundering Act, 2002 (PMLA, 2002)
- Recommendations 24 to 26 & 28 of Financial Action Task Force
- PML (Maintenance of Records) Rules, 2005
- AML & CFT Guidelines For Professionals with Certificates of Practice from ICAI, ICSI and ICMAI
- Section 12A of the Weapons of Mass Destruction and their Delivery Systems (Prohibition of Unlawful Activities) Act, 2005 [applicable to all Company Secretaries]

### Registration of Reporting Entities

Company Secretaries in Practice falling under the definition of Reporting Entity as per AML/CFT Guidelines need to register as "Reporting Entity".

### Do's for Reporting Entities

- Appointment of Designated Director and Principal Officer
- Reporting of Suspicious Transaction Reports to Financial Intelligence Unit- INDIA
- Maintenance of Records
- Adoption of appropriate policies and procedures to prevent money laundering, terrorist financing and proliferation financing
- Performing Client Due Diligence (CDD) / Enhanced Due diligence (EDD)
- Appropriate training to its employees on the procedures for KYC, CDD, sanction screening and record keeping

### ICSI PMLA Portal

ICSI PMLA Portal accessible at <https://www.icsi.edu/home/money-laundering-prevention/> and consists of following: -

- FAQs on AML & CFT Guidelines for Professionals
- Designated List (Amendments): Section 12A of the Weapons of Mass Destruction and their Delivery Systems (Prohibition of Unlawful Activities) Act, 2005:
- List of individuals, designated as terrorist, under UAPA, 1967
- Notifications of Ministry of Finance
- Weblinks of Documents related to Targeted Financial Sanctions Related to Terror Financing and Proliferation Financing

### Steps to Register

- Click on the URL: <https://stimulate.icsi.edu/>
- Click on the tab "Reporting Entity"
- Click on the option "Register as a Reporting Entity"

For queries e-mail at: [pmla@icsi.edu](mailto:pmla@icsi.edu)

CS Dhananjay Shukla  
President, The ICSI

CS Pawan G Chandak  
Vice President, The ICSI

CS Asish Mohan  
Secretary, The ICSI

Connect with ICSI

[www.icsi.edu](http://www.icsi.edu) | | Online Helpdesk : <http://support.icsi.edu>



# 8

## BEYOND GOVERNANCE

### Case Study

The Case Study section is inserted to make Chartered Secretary Journal (CSJ) more interactive for the members and students. The Case Study is followed by question(s) which are to be solved by member(s)/ student/s. The answer(s) are to be sent to [cs.journal@icsi.edu](mailto:cs.journal@icsi.edu) latest by the 25<sup>th</sup> of each month.

The answer(s) will be reviewed by a Panel of reviewer(s). The winner will be given:

- (i) Certificate of Appreciation.
- (ii) His/Her name will be published in the next issue of the Journal.
- (iii) He/She will be awarded cash award of ₹ 2,500.

### Crossword

'Crossword' contains terminologies/concepts from Companies Act, IBC, NCLT and such related areas of profession. Members/ students are to send the answers to the Crossword to [cs.journal@icsi.edu](mailto:cs.journal@icsi.edu) latest by 25<sup>th</sup> of each month.

- The answer(s) will be published in the next issue of CSJ.
- The winners will be selected randomly.
- The name of three winners will be published in the next issue of CSJ.

### National/International Reports: Analysis

A new Section on 'National/International Reports: Analysis' from the March 2025 covering reports on the recent policy initiatives and insights at National and International level is introduced. The purpose is to communicate information amongst professionals on various reports released by National/International organisations, having an impact on the profession.

### Book Review

A new Section on 'Book Review' is inserted from June 2025 issue onwards of Chartered Secretary Journal for creating awareness on books of latest titles related to profession. This section will cover a brief summary on the contents and central theme of the book.

## CASE STUDY

**Outline:** An appeal was made to the Apex Court w.r.t. order of NGT imposing penalty on the principle of “polluter pays” based on turnover, closure of unit and direction to the Enforcement Directorate to initiate prosecution for violation of environmental laws under Part- A of Schedule I of the PMLA, 2002.

### Relevant Facts

1. The appellant was earlier engaged in four manufacturing activities when the proceedings commenced which later, were expanded with two additions.
2. There was also a residential area where 500-600 people, the employees of the appellant, resided. The appellant is said to be an exporter of handicraft items and has employed around 7000 workers.
3. On the allegation raised, the NGT had first constituted a Joint Committee comprising of the Central Pollution Control Board (for brevity, ‘CPCB’), the respondent no.3 and the Uttar Pradesh Pollution Control Board (for brevity, ‘UPPCB’), the respondent no.2.
4. A report dated 07.05.2019 was filed which noticed ineffective effluent treatment, storage of hazardous wastes and the Thermocol manufacturing unit having not been granted the consent to establish/operate, among other defects. The report proposed a show cause notice under the Water Act, 1974, the closure of the unit and imposition of EC of Rs.10 lakhs. This was followed up with a notice dated 30.03.2019 by the UPPCB to which objections were filed.
5. Further reports dated 16.07.2019 and 03.12.2019 were placed before the NGT in which EC was computed based on the “Assessment of Environmental Compensation in Case of Illegal Extraction of Groundwater” dated 26.06.2019 brought out by the CPCB in compliance with the orders of the NGT. A total EC of Rs.2,49,71,157/- was imposed.
6. The appellant is said to have deposited an EC of Rs.1,16,39,727/-; after the waiver effected on representations made.
7. Finding that the appellant had violated environmental laws including the provisions relating to extraction of groundwater, the NGT went ahead to discuss the provisions of the PMLA,

various decisions with respect to that statute and also those decisions of the NGT, imposing compensation with reference to the turnover of the polluter on the principle: “polluter pays”. The NGT thus imposed the compensation, issued directions including that with reference to PMLA as also made a sweeping direction for the closure of the divisions of the appellant, in which requisite steps are not taken to comply with the prescribed standards.

#### **Submissions on behalf of the Appellant:**

1. The environmental compensation (for brevity, ‘EC’) as determined by the statutory bodies were paid up by the appellant. The appellant also had brought about all the mitigating measures, eventually leading to a report of complete compliance of the statutory conditions and the terms imposed by the Pollution Control Board (for brevity, ‘PCB’). Despite that last report of 30.07.2021, clearly recording compliance, the NGT went ahead and imposed a compensation of Rs. 50 crores based on the allegedly admitted turnover of the appellant.
2. There is no rational nexus in thus computing the penalty on the basis of turnover.
3. The NGT also directed the Enforcement Directorate (for brevity, ‘ED’) to examine the matter and take appropriate action under the Prevention of Money Laundering Act, 2002 (“PMLA, 2002”) wherein the environmental laws are also included in Part-A of Schedule I.

#### **Submissions of the Respondent:**

1. The respondent no.1, the applicant before the National Green Tribunal (for brevity, ‘NGT’) alleged that the appellant, the respondent no.1 before the NGT, as an industry was actively perpetrating environmental degradation and pollution as also extracting ground water; thus polluting the surroundings and also releasing effluents into the nearby river which is a tributary of the Ganga.
2. The proceedings before the NGT extended over a period of three years in which various reports were called for from a Joint Committee constituted by the NGT and eventually based on the reports, the matter was disposed of with certain directions, with which the appellant is aggrieved.

#### **Findings of the Apex Court:**

1. The initial reports of the Joint Committee constituted by the NGT clearly indicate violations of the environmental laws which led to the penalisation by imposition of EC.
2. The proceedings were commenced by the applicant in the year 2019 and it was only in the year 2021 that a modicum of compliance was reported.
3. The Advocate-on-Record, appearing for the Pollution Control Board submits that as of now there is full compliance of the environmental laws. However, it is urged that the NGT was within its power in enhancing the penalty since it is a deterrent measure. It is also pointed out that the calibration of the quantum of penalty could also be with reference to multipliers under CPCB, 2019 methodology, instead of a flat turnover percentage.

#### **Based on the above case study, decide the following:**

1. *If there is non-compliance of any of the statutory conditions or that imposed by the PCBs in mitigation of the unit specific pollution, then can jurisdictional PCB, after having accepted the report of compliance, issue notice for closure such of the divisions of the appellant which are falling short of the compliance?*
2. *Considering whether there is any nexus between the turnover and the pollution alleged, comment for the penalty imposed by NGT on the basis of turnover.*
3. *Whether NGT has jurisdiction to direct the Enforcement Directorate for prosecution of individuals under the PMLA?*

**Disclaimer:** *The case study has been framed from the facts and figures available in the public domain with some modifications/assumptions so as to enable members to apply their professional skills to answer the same and hide the identity of the case. Author is not to be held liable for any resemblance of the facts and figures with any case.*

**Winner of Case Study – August 2025**

**CS Akhilesh Kumar Mishra - ACS-27179**



# BEST ANSWER - CASE STUDY - AUGUST, 2025

## Case Summary:

The appellants (MSME suppliers) filed a case before the **MSME Facilitation Council** for delayed payments. The Council passed an award in their favour on **28.01.2010**. The respondents challenged the award under **Section 34 of the Arbitration and Conciliation Act, 1996 (ACA)**. The **Commercial Court** set aside the award stating the claim was **time-barred**. The **High Court upheld this decision**, leading to the present appeal.

**Issue 1: Whether the Limitation Act applies to conciliation proceedings under Section 18 of the MSMED Act, and even if not, whether time-barred debts can be referred to conciliation?**

## Finding:

The **Limitation Act does not strictly apply to conciliation under Section 18(2) of the MSMED Act**, since it is a **voluntary settlement process**. However, time-barred claims can be discussed only if the **debtor acknowledges the debt in writing**. Thus, conciliation can cover time-barred claims only if they are revived by mutual agreement.

## Law & Case:

- **Section 25(3), Indian Contract Act, 1872:** Time-barred debt is enforceable if there is a written promise to pay.
- **Shakti Bhog Foods Ltd. v. Central Bank of India**, (2020) 17 SCC 260 – Conciliation is informal; limitation rules do not strictly apply.
- **State of Kerala v. V.R. Kalliyankutty**, (1999) 3 SCC 657 – Statutory remedies are subject to limitation unless acknowledged.

**Issue 2: Whether the Limitation Act applies to arbitration proceedings under Section 18 of the MSMED Act, and whether time-barred debts can be referred to arbitration?**

## Finding:

Yes. **Limitation Act applies to arbitration under Section 18(3) of MSMED Act, via Section 43 of the ACA**. Since MSMED Act does not give its own time limit, the **general Limitation Act applies**. Therefore, time-barred claims cannot be referred to arbitration unless validly acknowledged under Section 18 of the Limitation Act, 1963.

## Law & Case:

- **Section 43, ACA:** Limitation Act applies to arbitrations like it does to court cases.
- **Paper Products Ltd. v. U.P. Power Corp. Ltd.**, 2024 SCC Online SC 321 – Supreme Court held that MSMED arbitrations follow Limitation Act.
- **Andhra Pradesh Power Coordination Committee v. Lanco Kondapalli Power Ltd.**, (2016) 3 SCC 468 – Arbitration proceedings are governed by the Limitation Act unless expressly excluded.

**Issue 3: What is the effect of disclosure of the unpaid amount in the buyer's financial statements as mandated under Section 22 on extending the limitation period?**

## Finding:

Yes, Disclosure of unpaid dues in a buyer's financial statements **can amount to acknowledgment of debt** under Section 18 of the Limitation Act, provided it is made **before expiry of the limitation period**. If such disclosure is made after limitation expires, **it does not revive** the claim.

## Law & Case:

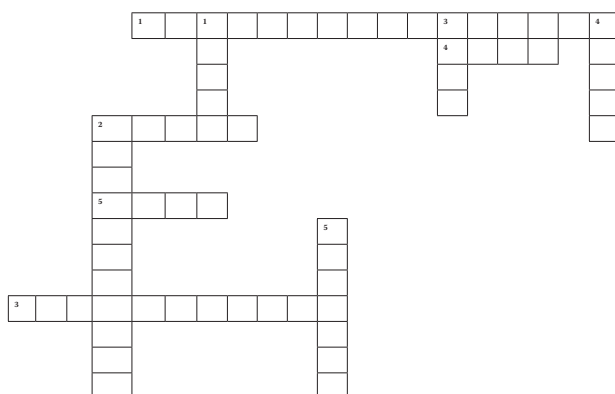
- **Section 18, Limitation Act:** Written acknowledgment before expiry extends limitation.
- **Mahabir Cold Storage v. CIT**, (1991) 1 SCC 402 – Balance sheet entries can be treated as valid acknowledgment of debt.
- **South Asia Industries Pvt. Ltd. v. S.B. Sarup Singh**, AIR 1966 SC 346 – Balance sheet entries may amount to valid acknowledgment if explicit.

## Conclusion:

- Limitation Act does not apply strictly to conciliation, but time-barred claims need acknowledgment to be enforceable.
- Limitation Act applies to arbitration under MSMED. Time-barred claims without acknowledgment are not maintainable.
- Financial disclosures in buyer's accounts may extend limitation if made within time.

Therefore, the **High Court's order setting aside the award on limitation grounds is legally justified** only in case of arbitration unless there is proof of acknowledgment by the buyer.

# CROSSWORD PUZZLE – COMPANY LAW - SEPTEMBER 2025



## ACROSS

- Under the Indian Contract Act, 1872, A person is said to be of sound mind for the purpose of making a contract, if, at the time when he makes it, he is capable of understanding it and of forming a \_\_\_\_\_ as to its effect upon his interests.
- Under the Micro, Small and Medium Enterprises Development Act, 2006, Where any buyer fails to make payment of the amount to the supplier, as required under section 15, the buyer shall, notwithstanding anything contained in any agreement between the buyer and the supplier or in any law for the time being in force, be liable to pay compound interest with monthly rests to the supplier on that amount from the appointed day or, as the case may be, from the date immediately following the date agreed upon, at \_\_\_\_\_ times of the bank rate notified by the Reserve Bank.
- Under the Insolvency and Bankruptcy Board of India (Insolvency Resolution Process for Corporate Persons) Regulations, 2016 – A person shall be considered independent of the corporate debtor, if he is not an employee or proprietor or a partner of a firm of auditors or secretarial auditors in practice or cost auditors of the corporate debtor; or of a legal or a consulting firm, that has or had any transaction with the corporate debtor amounting to \_\_\_\_\_ or more of the gross turnover of such firm, in the last three financial years.
- Under the Companies Act, 2013, The One Person company shall file an application in e-Form No. \_\_\_\_\_ for its conversion into Private or Public Company.
- Under the Insolvency and Bankruptcy Board of India (Liquidation Process) Regulations, 2016, FORM \_\_\_\_\_ is required to file on or before the 10th day of the subsequent month, after a public announcement has been made.

## DOWNWARDS

- Under the Insolvency and Bankruptcy Board of India (Voluntary Liquidation Process) Regulations, 2017, The liquidator shall preserve a physical copy of records for a minimum period of \_\_\_\_\_ years;
- Under the Limitation Act, 1963, what is period of Limitation in case suit is filed by a landlord to recover possession from a tenant.
- Under the Companies Act, 2013, Every person who has been appointed to hold the office of a director shall on or before the appointment furnish to the company a consent in writing to act as such in Form \_\_\_\_\_.
- As per the Insolvency and Bankruptcy Board of India (Insolvency Resolution Process for Corporate Persons) Regulations, 2016, An insolvency professional shall make a public announcement immediately on his appointment as an interim resolution professional. Here, 'Immediately' means not later than \_\_\_\_\_ days from the date of his appointment.
- Under the Insolvency and Bankruptcy Board of India (Insolvency Resolution Process for Personal Guarantors to Corporate Debtors) Regulations, 2019, If in the opinion of the resolution professional, the guarantor has failed in implementation of the repayment plan, the resolution professional shall, within three days of knowledge of such failure, issue a notice to the guarantor identifying the failure and requiring him, within \_\_\_\_\_ days of receipt of the notice, to- (a) address such failure if it can be addressed d, or (b) provide an explanation for the failure.

## Winners - Crossword August 2025

**1<sup>ST</sup>** CS Purvi Jain - ACS-74160

**2<sup>ND</sup>** CS Meenu Gupta - ACS- 34932

**3<sup>RD</sup>** CS Heena Bagaria - ACS- 64756

## Crossword Puzzle – August 2025 Answers

### ACROSS

- ONE HUNDRED AND TWENTY
- FIFTEEN
- SEVENTY-FIFTH
- SEVEN
- SH.3

### DOWNWARDS

- THREE
- EIGHT
- SH.8
- RFRP
- FORTY-EIGHT

# NATIONAL/INTERNATIONAL REPORTS: ANALYSIS

## 2025 State of the Corporate Law Department Report: GCs seek to redefine Value and enable Organizational Success

Organisation: **Thomson Reuters Institute**

Year: **March, 2025**

Source: <https://www.thomsonreuters.com/en-us/posts/corporates/state-of-the-corporate-law-department-2025/>

(Please refer the link for complete report)

### INTRODUCTION

Corporate General Counsel (GCs) today place 'Value' of their law departments as one of the topmost priority. The report postulates how GCs with their multifaceted role can work in most effective and efficient ways possible to serve the rapidly evolving needs of the business.

GCs should be able to identify the meaning of 'Value' for their Corporate Law Department. This will give better understanding between the internal stakeholders, legal team and external service providers of what the legal department is hoping to contribute towards the overall interest of the business. Apart from giving impetus on the value for various stakeholders, the report also focusses on Value for Money through efficiency in operations. Many GCs are making efforts to improve departmental efficiency in order to change the perception of various stakeholders who have labelled the in-house counsels as *cost centers*. The attention is also given on ways to capture optimum value from the legal department's expenditures on outside counsel.

The below framework, adopted by the Thomson Reuters Institute, illustrates the various key areas of strategic focus for today's corporate law department.

### Methodology

Research for this report was compiled from a variety of primary research projects conducted by the Thomson Reuters Institute throughout 2024. Research consisted of telephone interviews with 2,485 GCs across more than 50 countries globally, and online surveys of 217 corporate C-Suite officers, 415 corporate legal professionals, and 424 law firm lawyers globally.

### OBJECTIVES OF THE STUDY

To describe the factors contributing to the value driven growth and stability of Corporate Law Departments.

### ANALYSIS & INTERPRETATION

In this report 'Value' is expressed in context with a) Strategy, b) Efficiency, c) Effectiveness, and d) Protection. This section captures qualitative analysis of the responses received from telephone interviews and online surveys in the above contexts.

FIGURE 1:

### Four spinning plates



Source: Thomson Reuters 2025



a) **Strategy:**

- **Generating greater Value for the business – enabling business growth**

Finding the best path to contribute value to the business within the framework presented in this study depends largely on the ability to imagine ways for the law department to help increase customer satisfaction by proactively devising solutions, and to improve employee satisfaction by, *inter alia*, changing the perception of the legal department as the *Department of No* that stands in the way of accomplishing goals to the *Department of How* that helps to find ways around potential pitfalls. To accomplish this, it is helpful to understand where company leaders see potential risks and the opportunities for transformational changes.

- **Corporate Macro Influences**

There are concerns raised regarding the rise of generative AI (GenAI) or the risks posed by the explosion of data in today's businesses. However, it is not enough to simply understand that these concerns exist. Rather, GCs and by extension the entire in-house legal team must also understand *how* these concerns could potentially influence the broader strategic and commercial directions of the business.

For legal advice to be effective and valuable, it must be offered in service of the broader goals of the business. Crafting a deeper understanding of the macro-level influences on the business and proactively offering solutions that meet those challenges in the context of the broader strategic goals of the business will enable GCs to move their departments into a realm of offering more strategic advice.

- **Engaging in Strategic Conversations**

Before the corporate law department can engage in true strategic advice, however, it must first ensure that it is

building upon a solid foundation. The foundational element is to ensure that the law department is built on high-quality expertise that addresses the broad needs of the business. In this respect, the overlap with another key departmental focus — effectiveness — becomes clear. Likewise, moving up the pyramid toward truly strategic advice relies on a deep knowledge of the business, and it is this knowledge that empowers the GC's office to contribute to the growth of the business.

However, to move into truly strategic advice requires more, such as:

- ♦ an ability to offer operational advice aligned with the business,
- ♦ strong working relationships with key business leaders,
- ♦ an ability to communicate effectively across business units, and
- ♦ an alignment of advice with both practice-area-specific considerations as well as attenuation to sector- or industry-specific knowledge.

b) **Efficiency:**

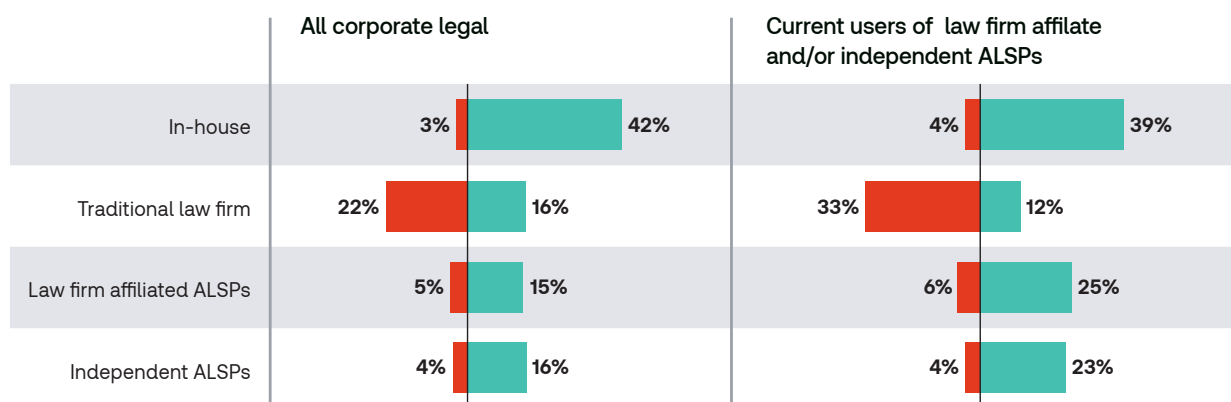
- **Capturing greater value for money**

GCs and their teams should exercise caution to avoid the temptation to focus too heavily on cost and spend related metrics without additional qualitative or quantitative context; too great a focus on how much money the department spends, without broader context, only serves to reinforce the perception of the law department as a *cost center* rather than a *value driver*.

## Strategies for reallocating work

■ Predicting a DECREASE in allocation/spending

■ Predicting an INCREASE in allocation/spending



Source: Thomson Reuters 2025

Controlling costs is a perpetual yet somewhat elusive goal for GCs. It's not that GCs lack ideas on how to better control costs; rather, it is more a reflection of the reality that legal services are an inherently expensive portion of the cost of doing business and only are growing more so. The recent *2025 Report on the State of the US Legal Market* is illustrative.<sup>1</sup> The average worked rate<sup>2</sup> charged by a law firm grew by 6.5%, marking the third consecutive year of increasingly aggressive hikes in law firm billing rates.

- **Technology as a driver of greater efficiency**

While many GCs clearly want to pursue the goal of bringing more work in-house, the reality is that many law departments will quickly run into capacity issues due to the current demands on their workforce. As a result, many GCs are turning to technology to drive greater efficiency from their departments and their outside legal services providers.

c) **Effectiveness:**

- **Creating operational value**

While GCs work to enable business growth, protect business value, and steward the business's expenditures, they must also work to do so through a framework of offering quality, commercially attuned legal advice that optimally leverages the resources available, both internally and externally. There are clear use cases and reasons for GCs' preference to use their in-house legal teams, of course; and unsurprisingly, the most common are day-to-day tasks and the desire to control costs, respectively. However, GCs have also provided some insights into when they will look to outside resources.

There is a clear indication that law firms are preferred for their deep expertise as well as their ability to add capacity to the in-house team's own capabilities. Notably, law firms also enjoy a slight edge over other options when it comes to their track record for producing results.

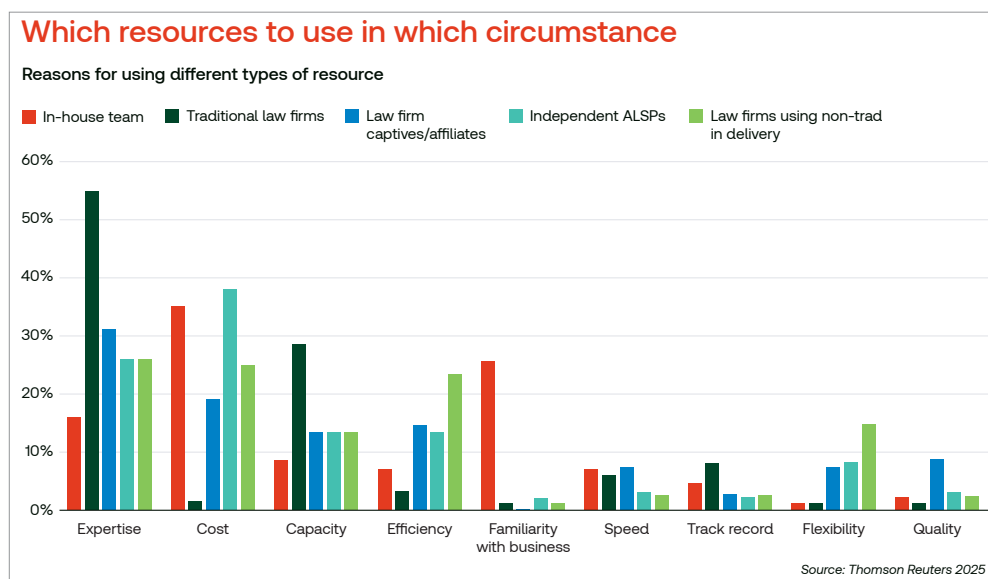
However, these findings are also insightful with regard to Alternative Legal Services Providers (ALSPs), both independent and those wholly owned by law firm. These providers also rank high for preference due to the expertise they can provide, especially regarding niche areas. Most remarkable is the preference for ALSPs due to their potential cost advantages, which demonstrates a clear connection between GCs' desire for cost *efficiency* in operations, alongside their need to focus on operational *effectiveness*.

GCs are also well aware that ALSPs plan to double down on these existing advantages and expand them into new services lines.

ALSPs are being quite clear about their desire to expand the level of legal and consulting advice they can provide and continuing their ascent up the legal value chain. At the same time, they are planning to expand already popular business lines such as matter-specific legal services, legal managed services, and process management. This dual-pronged growth strategy will give GCs even more levers to pull toward making cost-conscious improvements in their departments' overall effectiveness.

d) **Protection:**

- **Protecting the business's value**



As much as the corporate law department must strive to enable the growth of the business, its core function remains protecting the enterprise's value, assets, reputation, and competitive advantage from risks, both clear and emerging. Regulatory compliance has, for years, been among the top strategic priorities for many GCs, and that is perhaps even more the case today given the rise in new regulations, the shifting regulatory landscape,

and the increasing possibility of interjurisdictional regulatory conflicts. Among the top global regulatory and compliance concerns are:

1. See the Thomson Reuters Institute 2025 Report on the State of the US Legal Market, available here: <https://www.thomsonreuters.com/en-us/posts/legal/state-of-the-us-legal-market-2025>.

2. Worked rates are the average rates that clients agree to pay to a law firm to engage a new matter. They are also commonly referred to as agreed rates.

- ♦ Artificial intelligence
  - ♦ Cryptocurrency
  - ♦ Environment, Social & Governance
  - ♦ Cybercrime
  - ♦ Geopolitics & macroeconomics
  - ♦ Sanctions
  - ♦ Fraud, scams & other financial crimes
  - ♦ Risk management
  - ♦ Beneficial ownership
  - ♦ Leadership
- **Avoiding the risks that come from the courtroom and elsewhere**

GCs tend to follow *Avoid-Defend-Resolve* approach while handling litigation disputes for variety of reasons not the least of which are the costs involved and the inherent risks to the business and its reputation.

While winning disputes is important, GCs tend to be highly selective regarding which matters they choose to fully litigate; often, deciding only after carefully applying materiality thresholds and frameworks to mitigate costs and risks.

## KEY FINDINGS AND FUTURE IMPLICATIONS

### • Understanding current benchmarks

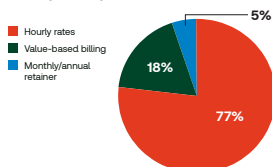
The Institute continues to closely watch industry benchmarks on key figures such as legal spend as a proportion of revenue, average law department size, and the balance of spend between internal and external sources.

### • The push to revamp legal billing and who should lead

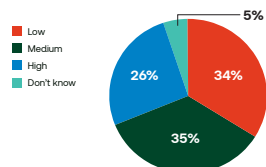
Another key consideration to bending the legal cost curve relates to how legal work is billed. Despite more than a decade's worth of discussion of alternative fee arrangements (AFAs) or value-based billing, the majority of legal work continues to be done on the basis of the billable hour.

#### The push to value-based billing

What proportion of your total annual spend with law firms in the last 12 months was charged through the following three ways?



How high a priority is it for you to shift towards a more value-based billing system?



Source: Thomson Reuters 2025

Fully three-quarters (77%) of legal matters are still handled on a billable-hour basis, but 61% of GCs say that increasing their use of value-based billing or AFAs is a medium or high priority. Yet even with that being the case, it does not necessarily follow that GCs want to be in the position of having to take the lead on implementing or creating new billing arrangements.

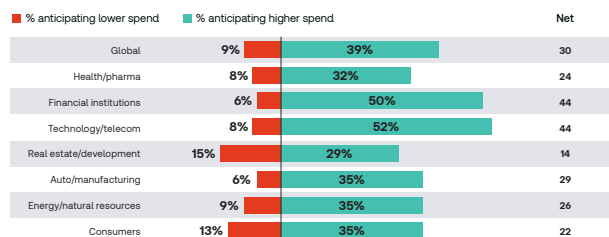
### • The scope for future growth

Not only is regulatory work an area of continued and increasing focus for GCs, it's also an area in which they expect to be dedicating an increasing share of their budget. Among the key practices tracked in the report, regulatory has the strongest and widest positive anticipated spend outlook (ASO) increase figures across nearly every industry.

In anticipation of an increasingly AI-driven future, GCs are identifying new skills and roles that their team members will need to meet the changing reality of legal work and business in general.

Not surprisingly, there is increasing demand for a wide array of skills. Unfortunately, some of the most often-cited — such as adaptability to change and enthusiasm for new technologies — are not skills for which lawyers are traditionally known.

#### Regulatory anticipated spend outlook (ASO)



Source: Thomson Reuters 2025

This means that in-house legal teams will have to look for either lawyers with non-traditional background or interests, or begin looking for new types of roles altogether.

Indeed, GCs are identifying a growing need for new roles such as AI-specialist legal professionals, cybersecurity experts, and even AI developers — roles not typically associated with the average GC's current team or even the practice of law. Further, GCs' concerns about talent are not limited to recruiting the *right* talent, but also retaining their current talent and what future roles will look like.

Key among considerations for effective outside counsel relationships are proactivity, good client management skills, effective communication, and knowledge sharing. Historically, we've compiled these various traits under the broader rubric of collaboration; however, breaking down the component parts is illustrative to help identify specific areas in which outside counsel might be excelling or falling behind.

## CONCLUSION

The year 2025 will be a year of transition and change for many corporate law departments and their businesses. It will be crucial that GCs have the ability to help the business move at pace, determine the right decisions, and make good investments, all while keeping legal risk to a tolerable level. To that end, there are some steps GCs should be taking now, including:

- Define value goals.
- Take care of resourcing strategy now.
- Don't overlook the importance of talent in making technology work.
- Bring the value story to life.

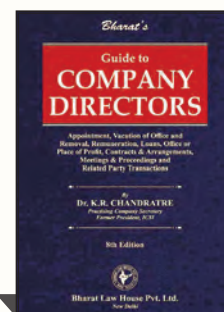
All of this underscored the key theme of 2025 for many GCs echoed in this report: *How to define and deliver value*.





# Guide to Company Directors

<b>Author:</b>	Dr. K.R. Chandratre
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## INTRODUCTION

The Companies Act, 2013 is a dynamic regulation which is continuously evolving and hence it becomes necessary that readers especially Company Secretaries and legal professionals stay abreast with the recent amendments in the law and its interpretation. This book with specific reference to analysis and interpretation of the provisions related to **Company Directors**, serves as a practical guide for professionals and students who are interested in a thorough exploration of the topic. With the inclusion of case laws, this book serves as a valuable resource for regulatory bodies, seeking diverse insights on the matter.

## DETAILED REVIEW

The Chapter 1 reflects on various provisions related to the Appointment of Directors, types of Directors including independent Directors. The chapter highlights the criteria of qualification and disqualification of Directors. In addition, coverage is given on the requirements under LODR regulations regarding Board of Directors.

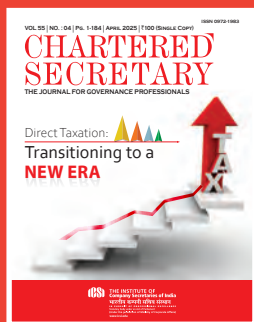
The detailed procedure for Cessation of a Director, is covered in Chapter 2. The general and specific powers of the Board is elaborated in Chapter 3. The meetings and proceedings of Board and Committees along with application of Secretarial Standards are mentioned in Chapter 4 while Chapter 5 enumerates the power and duties of Managerial personnel, Key Managerial Personnel, and CEO.

Chapter 6 captures laws and procedures relating to the remuneration of Directors. Chapter 7 is on duties and responsibilities of Directors. The Directors duty regarding Disclosure of Interests in Contracts and Arrangements is explained in Chapter 8 covering various aspects of related party transactions. The Chapters 9 and 10 provide insights on liabilities of Directors, compounding of offences, adjudication, and settlement by Lok Adalat.

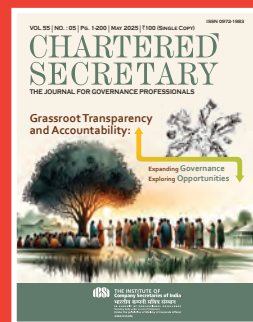
## CONCLUSION

The unique feature of the book is the detailed list of case laws arranged in alphabetical order with page numbers. Each chapter begins with a brief synopsis, statutory definitions, detailed commentary with case law analysis, rules & forms and appropriately making comparison with the Companies Act, 1956 for enhancing the knowledge of readers. Key information is presented in a tabular form. The book concludes with a list of Annexures, Appendices, and a detailed Subject Index. The book is well structured and written in a lucid manner.

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