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# CHARTERED SECRETARY

THE JOURNAL FOR GOVERNANCE PROFESSIONALS



**Structuring and Restructuring of Businesses :  
The Commencement of a New Financial Year**



**THE INSTITUTE OF  
Company Secretaries of India**

**भारतीय कम्पनी सचिव संस्थान**

IN PURSUIT OF PROFESSIONAL EXCELLENCE

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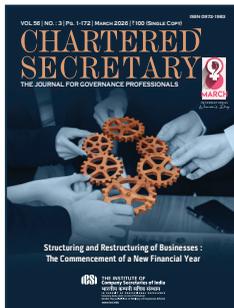
**The Institute of Company Secretaries of India**  
'ICSI House', 22, Institutional Area Lodi Road, New Delhi - 110 003  
Phones : 45341000  
Grams : 'COMPSEC'  
Fax : 91-11-24626727  
E-Mail : journal@icsi.edu  
Weblink : <http://support.icsi.edu>  
Website : <http://www.icsi.edu>

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## EDITORIAL

Worldwide, 8<sup>th</sup> March is marked by the observance of International Women's Day. It gives me immense pleasure to express my deep gratitude and appreciation for the untiring efforts and dedication of all ICSI women members whether in practice or employment, who have been instrumental in bringing laurels to the profession of Company Secretaries. Over the years, The ICSI, through its various initiatives has been recognising the efforts of women from various strata of the society. To celebrate this occasion, the current issue of the Journal includes a dedicated section on Women Leadership, featuring insights from various Women Achievers aligned with the global theme '**Rights, Justice, Action for Women and Girls**'.

Corporate Restructuring is recognized as a vital strategic method for optimizing the use of company resources and gaining a competitive edge, while gender diversity signifies fair and equitable policies and practices are implemented in the workplace. When combined, they represent a hallmark of a respected organization.

In the above parlance, the March issue of the Journal reflects on two themes, namely, '**Structuring and Restructuring of Businesses**' and '**Gender Diversity in Corporates: An ESG matter**'.

Articles on '**Corporate Restructuring: Key Post-Implementation Compliance Framework**', '**Business Restructuring and Finding the Right Valuation**', and '**Finding the Right Fit: The Synergistic Side of Corporate Structuring**', aptly describe the scenario of Corporate Restructuring and interpret provisions of law in India and its recent amendments.

In addition, articles recognising equitable treatment of women in the society titled '**Gender Equality, Representation, and Inclusion: Core Elements of a Sustainable Future**', '**Inclusive Governance and Gender Equality: Dharmic Foundations for Sustainable Corporate Futures**', and '**Gender Diversity: Strengthening the "S" in ESG – From Compliance to Corporate Strategy**' focus on gender equality and corporate policies and key learnings from ancient Indian scriptures.

Apart from the above, this issue is interspersed with quality contribution on '**Listing of Debt Securities in IFSC: Trends, Drivers & Market Growth**', and '**Revitalizing MSMEs: The Catalytic Role of RAMP**', which enumerate the scope of listing debt securities in IFSC and MSME scenario in the Country.

The article contained in the Global Connect section, titled '**Business Restructuring: A Global Perspective**', analyses the international legal framework and postulates a proactive model for integration of technology with transformation and aligning with best practices at the global front.

With the intent to reflect on the practical aspects, the research paper on '**Corporate Restructuring in India: A Framework for Practitioners**' examines the changes in restructuring methods between the years of 2024 and 2025 and suggests practical alternatives.

Happy Reading!

CS Asish Mohan  
(Editor - Chartered Secretary)



CS Pawan G. Chandak, President, The ICSI addressed the gathering at the 25<sup>th</sup> Global Conference of Actuaries held on February 22-24, 2026.



ICSI delegation led by CS Pawan G. Chandak, President, The ICSI met with Dr. Unnat Pandit, Controller General of Patents, Designs and Trade Marks, to discuss registration of CS as Trade Marks Agents & Allied Matters held on February 19, 2026.



Meeting of Ms. Deepti Gaur Mukerjee (IAS), Secretary, MCA with the Officers of State Government of Mizoram and Professional Institutes regarding the implementation of the PMIs and the Corporate Mitra schemes held in Mizoram. CS Rupanjana De, Central Council Member, The ICSI attended the meeting held on February 16, 2026.



CS Asish Mohan, Secretary, The ICSI and Shri Vijay Krishnamurthy, MD & CEO, India INX signed MoU at GSMC 2.0 in GIFT IFSC, Gandhinagar to bring together ICSI's professional excellence & India INX's pioneering role as international exchange at GIFT IFSC in fostering new opportunities held on February 26, 2026.



CS Pawan G. Chandak, President, The ICSI presided over the felicitation ceremony organised by Pune Chapter of WIRC of The ICSI after declaration of the results on February 26, 2026.



Indore Chapter of WIRC of The ICSI organized a full day programme on the theme 'Mastering Companies Act-2013 and New Labour Code' on February 28, 2026. CS Pawan G. Chandak, President, The ICSI, CS Ashish Karodia and CS Rajesh Tarpara, Central Council Members, The ICSI graced the occasion.

# CERTIFICATE COURSES LAUNCHED JOINTLY BY ICSI & IFSCA



ICSI & IFSCA launched 3 Certificate Courses at GSMC 2.0, to equip Professionals in investment strategies, compliances and governance skills for IFSC - Regulatory Framework for Capital Market Intermediaries in the IFSC, Regulatory Framework for Fund Management in the IFSC and Corporate Governance in the IFSC, in the presence of CS Rajesh Tarpara, Central Council Member, The ICSI & CS Asish Mohan, Secretary, The ICSI held on February 26, 2026.



WIRC of The ICSI organized a Programme on Critical Issues: SEBI Listing Regulations, Insider Trading & Companies Act, 2013 on February 21, 2026. CS Savithri Parekh, Company Secretary & Compliance Officer – Reliance Industries Limited and CS Praveen Soni, Central Council Member, The ICSI graced the programme.



WIRC of The ICSI organized 67<sup>th</sup> Classroom Mode EDP from February 05-23, 2026.



ICSI-EIRC conducted the 29<sup>th</sup> TDOP at ICSI-CCGRT Kolkata Campus from February 24-26, 2026.



ICSI-EIRC conducted the 36<sup>th</sup> EDP at ICSI-CCGRT Kolkata Campus from February 06-23, 2026.



49<sup>th</sup> Southern India Regional Conference of Company Secretaries on the theme 'Confluence of Techno – Compliance' held on January 2-3, 2026 at Hyderabad.



Bhayander Chapter of WIRC of The ICSI organised 13<sup>th</sup> batch of TDOP in the month of February, 2026.



Launch of ICSI Certificate Courses & Syllabus Orientation Programme for Faculty Members held on February 24, 2026 organised by Bangalore University.



NIRC of The ICSI organised Gyan Vridhi Programme on "Corporate Actions: Technicalities, Practical Aspects & Tax Implications" on February 20-21, 2026.



Members of the Chandigarh Chapter of NIRC of The ICSI met with Shri Saurabh Joshi, Hon'ble Mayor, Chandigarh to discuss matters of professional relevance and to explore potential avenues for collaboration and engagement between the Chapter and the Municipal Administration.



Noida Chapter of NIRC of The ICSI organized a technical session on 'New Labour Codes-2026: CS Led Compliance Strategies & Pitfalls to Avoid' on February 08, 2026 in the presence of Adv. Raavi Birbal, Supreme Court & High Court as Chief Guest.



Noida Chapter of NIRC of The ICSI organized a technical session on 'Digital Personal Data Protection Act, 2023 & Artificial Intelligence' on February 23, 2026 in the presence of CS Manpreet Singh, Treasurer-NIRC of The ICSI as Chief Guest.



Sangli Study Circle organised a meeting on Workplace Management & Companies Act in the light of the Constitution on February 12, 2026.



Bhubaneswar Chapter of EIRC of The ICSI organised a full day seminar on the theme 'विविध' - CS : a Multi-Dimensional Profession (On New Labour Code & GST Litigations) on February 28, 2026.

## GLIMPSES FROM ICSI CCGRTs



ICSI-CCGRT, Manesar organized the 3<sup>rd</sup> Residential CLDP (Valedictory Session) on February 11, 2026. CS Dhananjay Shukla, Immediate Former President, The ICSI graced the programme.



ICSI-CCGRT, Manesar organized 2 Days Residential Capacity Building Workshop on SEBI (LODR) Regulations, 2015 on February 13-14, 2026. CS Dhananjay Shukla, Immediate Former President, The ICSI graced the programme.



4<sup>th</sup> Residential CLDP (Inaugural Session) organized by ICSI-CCGRT, Manesar on February 23, 2026. CS Dhananjay Shukla, Immediate Former President, The ICSI and CS Suresh Pandey, Central Council Member, The ICSI graced the programme.



ICSI-CCGRT, Manesar organized One Day Workshop on Board Meetings on February 21, 2026. CS Dhananjay Shukla, Immediate Former President, The ICSI graced the programme.



ICSI-CCGRT, Kolkata organized 2 Days Workshop on Corporate Restructuring on February 27-28, 2026. CS Sandip Kejriwal, Central Council Member, The ICSI and Convenor, CCGRT Kolkata addressed the delegates. Dr. S. K. Jena, Director and Head, CCGRT Kolkata welcomed the delegates to the programme.



ICSI-CCGRT, Mumbai organised 4<sup>th</sup> Corporate Leadership Development Program (CLDP)-Phase II in residential mode from February 25 to March 12, 2026. The participants were honoured by the presence of CS Dhananjay Shukla, Immediate Former President, The ICSI.



ICSI-CCGRT, Hyderabad organised a Workshop on Meetings of Board of Directors and its powers for Listed and Unlisted Companies on February 21, 2026 in the presence of CS S. Sudhakar, Former Vice-President (Corporate Secretarial), Reliance Industries Limited, CS Shailesh Baheti, Company Secretary in Practice and CS Venkata Ramana R., Central Council Member, The ICSI & Convenor CCGRT, Hyderabad.



ICSI-CCGRT, Hyderabad organised the 29<sup>th</sup> CLDP Phase-2 on February 23, 2026 in the presence of CS Surender Yogender, CFO - CRE Vertical, Divya Sree Developers, Hyderabad and CS Venkata Ramana R., Central Council Member, The ICSI & Convenor CCGRT, Hyderabad.

# Seminars on Union Budget 2026

**Date & Venue :** February 02, 2026 at New Delhi



**Date & Venue :** February 03, 2026 at Noida



**Date & Venue :** February 06, 2026 at Visakhapatnam



**Date & Venue :** February 06, 2026 at Chandigarh

**Date & Venue :** February 07, 2026 at Thane





यथैधांसि समिद्धोऽग्निर्भस्मसात्कुरुतेऽर्जुन।  
ज्ञानाग्निः सर्वकर्माणि भस्मसात्कुरुते तथा॥

*As a kindled fire reduces wood to ashes, O Arjun, so does the fire of knowledge burn to ashes all reactions from material activities.  
Let that (auspicious) Agni instigate us (towards prosperity and well-being).  
- Shrimad Bhagavad Gita 4.37*



**Dear Professional Colleagues,**

**T**he beginning of the month of March had us all drenched from head to toes in all hues and shades. Be it friends or family, the seldom seen neighbours or the daily accompanying co-workers, the secluded elderlies or phone addicted kids – the festival of Holi brought us together – making us keep our professional responsibilities aside, and letting our hair down without the fear of ending up being one of the most tired but happy selves the next day.

Each festival comes with its story of victory of good over evil – even while the form of celebration is inherently different. Amidst all celebrations, this festival too, embodies the same thought of righteousness, respect and equality. And I believe that each one of us will imbibe the same traits in our conduct as well.

On that note, wishing all of you and your loved ones a fun and frolic filled festival of colours...!

### **INTERNATIONAL WOMEN'S DAY – HONOURING CREATORS, CELEBRATING WOMANHOOD**

अतुलं तत्र तत्तेजः सर्वदेवशरीरजम्।  
एकस्थं तदभून्नारी व्यासलोकत्रयं त्विषा॥

*The incomparable radiance that was born from all gods and pervaded the 3 worlds, came to one place and took the form of a woman.*

*- Devimahātmyam 2.13*

Another major event that becomes the prime defining factor of this month is the International Women's Day – the celebration of Womanpower, of Empowerment, of partnered journeys and shared successes.

On a personal note, I could never understand the significance of this day. The women in my family, the teachers, each of them have been a guiding light in themselves – financially prudent, emotionally balanced and intellectually bestowed. Equality and equanimity just flowed like the natural course of a river. While being surrounded by headstrong and opinionated women kept me grounded, the strong workforce that became a part of my Team and even now in ICSI made this thought stronger.

But with age, came the realization that there was a huge segment that was in dire need of empowerment – and in that realization was added the thought that more than the women, the girls and the feminine segment of the society, it was the men, the boys who needed real empowerment – empowerment of thoughts, ideologies and opinions, about the real meaning of masculinity and the significance of mutual respect and a sensitized approach in an evolving ecosystem.

The Indian culture and heritage is filled with stories of women who in their pure femineity portrayed intellect, courage, strength and the most supreme forms of human self – ones that became turning points in history. Hailing from a nation which does not merely respect but reverses the 'Shakti' element, it is imperative

that when we focus on becoming a Viksit Bharat – the journey is taken forward in all cohesiveness – leaving no one behind.

Be it holding spaces in Parliamentary positions or the creation of dedicated space on corporate Boards – the intent of the Government and the Regulatory Authorities is identical – not to enhance gender diversity but to have a varied voice, opinion, thought and approach. To have a mindset that is different from our own. And indeed, it comes from experience that women per se have been endowed with a unique power of seeing the aspects others might miss – that “reading between the lines” seems to come naturally to them.

And the day, while on one hand, focusses on empowering those who need the sharing of strength and voice to be found, on the other hand, it celebrates the women in their true feminine form – one that brings peace and clarity in chaos and confusion.

With the world order changing at an unprecedented pace, it would be an absolute delight to watch and serve besides this brigade and create a better world together.

### CSIA GLOBAL GOVERNANCE AWARDS : SHAPING GOVERNANCE CULTURE GLOBALLY

*“To be a global leader in promoting good corporate governance”*

*- ICSI’s Vision*

On the note of making the world a better place, the same is completely, totally and inevitably impossible without the foundation of a strong governance framework.

Hosting the CSIA (Corporate Secretaries International Association) Strategic Planning Meeting, Council Meeting and the Global Governance Awards preceded by two Panel Discussions on the topics of ESG and Artificial Intelligence brought us not just steps but miles closer to our vision.

Even though the world comprises land and water, continents and oceans; the evening of the Awards, it all came together within those 4 walls. The wisdom stemming from discussions, the optimism sprawling from recognition – all were a reiteration of the fact that individually as an Institute and profession and together as Governance Professionals spread across the world – we are making a difference and we are doing it right.

Our heartiest gratitude to Team CSIA headed by Ms. Funmi Ekundayo, President, CSIA for making us a part of your journey of instilling governance through motivation, inspiration and adulation. It is a matter of great pride that the position of Vice President of CSIA

is held by CS Dhananjay Shukla, Immediate Former President of ICSI. An equal quantum of congratulations are in order for all the finalists and winners of the Awards who with their practical emulation of trust, transparency and accountability – raised the standards of governance by several notches. We are immensely proud to have had the opportunity to play hosts to such a landmark moment of awarding recognitions to leaders in governance.

Looking forward to many more good times of collaboration ahead...!!!

### EXTENDING GRATITUDE : SHARING DELIGHT

*“India is a heaven for those wanting to invest; we are working on the ease of doing business in the country.”*

*- Shri Narendra Modi,  
Hon’ble Prime Minister of India*

The tripod of Regulatory Authorities, professionals and professional bodies and corporates is the perfect epitome of synergy in the Indian business and economic ecosystem. It is through our combined efforts that we aim to achieve the national agenda and goal of creating a Viksit Bharat.

The very recent roll out of the Companies Compliance Facilitation Scheme 2026 is a pivotal initiative of the Ministry of Corporate Affairs to provide a one-time opportunity to allow companies to file their documents pertaining to Annual Return and Financial Statements while condoning the delay on their part by paying only a part of the total additional fees payable on account of delays.

On behalf of all our stakeholders – the corporates and the professionals, we at the ICSI extend our heartfelt gratitude towards the Ministry of Corporate Affairs headed by Smt. Nirmala Sitharaman, for acceding to our request and launching the Companies Compliance Facilitation Scheme, 2026 (CCFS 2026). We are immensely thankful towards Ms. Deepti Gaur Mukerjee, Secretary, MCA and all other officials of the Team MCA for having a sympathetic approach and lending us a patient ear; and along with that for taking our request forward.

I appeal all my professional colleagues to utilise these 50 days from the date of circular up to the beginning of CCFS to ensure that all documents are in order so as to make good all compliances and reap maximum benefits of the Scheme.

We are truly assured that this initiative will definitely improve compliance and strengthen the governance framework of India Inc. while promoting ease of doing business as well providing much relief to the smaller entrepreneurs including MSMEs and private companies.

On another front, we also express our immense pleasure and deep gratitude towards Prof. (Dr.) Unnat P. Pandit, Controller General of Patents, Designs & Trade Marks and the Team at his Office for rolling out the National IP Pendency Elimination Karma Mission (NIPEKM).

This development akin to the CCFS marks a landmark moment in restructuring the entire IP application process and providing much relief to all stakeholders. Not only will this move be furthering the vision of liquidating the critical pre-examination pendency of Trade Mark applications in the Trade Marks Registry (TMR), but will also promote ease of doing business and strengthen the positioning of the Indian brands on a global platform.

As a nation striving towards becoming Viksit Bharat, Intellectual Property Rights have come to play a key role in the overall strengthening of the Indian business ecosystem giving greater impetus to MSMEs and Startups. The NIPEKM shall further affirm our resolve to lead the world.

Furthermore, during our meeting we have been assured that the matters of pending trademarks will be resolved soon.

To simplified times ahead !!!

## ICSI COLLABORATIONS : STRATEGIZING SYNERGIES SKILLFULLY

*“Synergy (si-nuh-jee) :*

*The combined power of a group of things when they are working together that is greater than the total power achieved by each working separately.”*

The reason behind using the simplest definition of the terminology rather than any quote is that no other quote that I came across could truly portray the meaning of this word and its significance in our professional world.

The Institute of Company Secretaries of India (ICSI) and the International Financial Services Centre Authority (IFSCA), in our togetherness explore new avenues, find new pathways and chalk roadmaps to move forward on them.

Very recently at the Global Securities Markets Conclave 2.0, the ICSI launched three Certificate Courses namely, Regulatory Framework for Capital Market Intermediaries in the IFSC; Regulatory Framework for Fund Management in the IFSC and Corporate Governance in the IFSC. Apart from these a Specialized paper on ‘IFSCA - Regulations, Listing

and Compliances’ was also launched to form part of the ICSI Course Curriculum.

On the same platform the ICSI and the India International Exchange IFSC Limited (India INX) entered into an MOU for strategic alliance. The partnership aims to harness India INX’s position as the pioneering international exchange at GIFT IFSC alongside ICSI’s expertise in global governance and compliance space.

Moving from Western to Southern Side of the country and launching the ICSI Certificate Courses for more than 18,000 students of the Bangalore University; the intent across all these partnerships remains the same – gaining new ground, exploring new opportunities and to serve the nation and its various stakeholders in a better manner...

## ICSI STUDENTS : THE FUTURE TORCHBEARERS OF ICSI

I believe congratulations are in order for all the rank holders and with them the entire long list of students who have passed their respective Executive and Professional Programme Examinations conducted in December 2025. Yes, it is a matter of shared happiness and delight that you have come steps closer to achieving your dream. Meanwhile, I also commend the strong support lent by the members to their trainees and younger friends – being their hope in times of despair and guiding them all the way through. And for those who could not sail through, as professionals in making we do not expect you to sit and fret and worry – but take this in your stride, prepare well and get ready... for even if you arrive a bit later than expected – you will find us waiting with open arms and even widely open doors to the profession...

For those who are still contemplating as to whether they should take the plunge or not, the CS Course still awaits and there can be no better time than this moment at hand for the Student Amnesty Scheme awaits you...!!!

On that optimistic note of adding more hands to serve the nation, I extend my best of wishes for the times ahead...

With warm regards



**CS Pawan G. Chandak**  
President, ICSI

# This Month That Year



**2014** - Meeting of ICSI delegation with Secretary, MCA - Group photo - Standing from Left: Sanjay Grover, R. Sridharan, Naved Masood (Secretary, MCA), Vikas Y. Khare, Sudhir Babu C. and M. S. Sahoo.



**2013** - CS S. N. Ananthasubramanian, President, The ICSI addressing the media persons about New Syllabus of CS Course, Initiatives of ICSI, Student Education Fund Trust, Career Awareness Initiatives, etc.

**2012** - Annual Conference of Corporate Registers Forum (CRF) on Control to Self-Regulation Sharing Knowledge - Sharing Best Practices - Inaugural Session - Dr. M. Veerappa Moily (Hon'ble Union Minister of Corporate Affairs) addressing. Others sitting from Left: Avinash Srivastava (JS, MCA), Naved Masood (Secretary, MCA), Sudhir Mital (AS, MCA) and Juthika Ramanathan (Past President, CRF).



**2007** - ICSI-CCRT- [LEFT] - ICSI President's visit to Bombay Stock Exchange Limited - Group Photo-Standing from Left: Gopal Chalam, B. Narasimhan, Preeti Malhotra, Rajnikant Patel (MD & CEO, BSE Ltd.), K. Sethuraman (VP - Corporate Secretarial and Legal, Reliance Industries Ltd.) and S.N. Ananthasubramanian. [RIGHT] - ICSI President's visit to National Stock Exchange India Limited - Group Photo - Standing from Left: Gopal Chalam, K. Sethuraman, B. Narasimhan, Preeti Malhotra, Ravi Narain (MD, NSE), Chitra Ramakrishna (Dy. MD, NSE) and S.N. Ananthasubramanian.

# Activity Highlights of February, 2026

## MEETINGS WITH DIGNITARIES

- Dr. Unnat Pandit, Controller General of Patents, Designs and Trade Marks

## ICSI GLOBAL CONNECT

### ICSI HOSTS CSIA GLOBAL GOVERNANCE AWARDS 2026 IN MUMBAI

The ICSI organised the Global Governance Awards for Corporate Secretaries International Association (CSIA) Limited, in Mumbai (Maharashtra) on February 27, 2026. Positioned as a flagship international event, the 2026 Awards honoured the trailblazers of responsible governance across CSIA's twelve member countries, celebrating individuals and corporates that are actively shaping the future of governance in an era defined by regulatory complexity, ESG accountability, and digital transformation. Building on the momentum, the Award Ceremony began with two panel discussions on ESG and Ethics & AI and Technology, driving cross-border dialogue and bringing forth a comprehensive perspective to highlight unique country specific approaches.

The Global Governance Awards 2026, introduced three new categories recognising the critical role corporates play in embedding and advancing governance excellence across global markets.

The following Awardees were recognised, for challenging convention, embracing innovation, and setting new benchmarks for governance leadership.

- Global Corporate Secretary of the Year - Elsabé Kirsten (South Africa)
- Governance Professional of the Year - Kenneth Mutuma (Kenya)
- Rising Corporate Secretary of the Year - Charmaine Manzini (South Africa)
- Excellence in Governance (Listed and Unlisted Companies) - Nedbank (South Africa)
- Excellence in Governance – ESG - Duopharma (Malaysia)

More than 150 delegates from different countries witnessed the celebration of achievements, inspiring commitment to governance and reinforcing the foundation on which global commerce stands.

## ICSI MEMBERS

### ICSI CERTIFICATE COURSES FOR IFSCs LAUNCHED AT GSMC 2.0

The ICSI launched following three specialized courses designed for aspiring professionals, compliance officers,

and legal experts seeking to build a distinguished career within the IFSC framework at the GSMC 2.0 on February 26, 2026.

- **Regulatory framework for Capital Market Intermediaries in IFSC** course provides a concise understanding of the regulatory ecosystem, covering essential compliance, operations, and risk management.
- **Regulatory framework for Fund Management in IFSC: AIFs and Retail Scheme** offers a comprehensive overview of AIFs and retail schemes, building practical expertise in valuation and financial modelling.
- **Corporate Governance in IFSC** course utilizes immersive workshops and case studies to develop strategic leadership skills for IFSC intermediaries.

The Institute has integrated an elective paper titled "IFSCA - Regulations, Listing and Compliances" into the Professional Programme.

### ICSI INKS MOU WITH INDIA INX

The Institute of Company Secretaries of India (ICSI) and India International Exchange (IFSC) Limited (India INX) inked an MoU on February 26, 2026 to collaborate and mutually work to develop GIFT IFSC as a Global Listing Centre by creating awareness about the opportunities available for Company Secretaries in GIFT IFSC.

### CONSTITUTION OF EVOLVING CHAPTERS AT REWARI & JABALPUR

The Institute is pleased to announce the constitution of two new Evolving Chapters at Rewari (Haryana) & Jabalpur (Madhya Pradesh), in accordance with Section IX of the ICSI Chapter Management Guidelines, 2024. The constitution of these Evolving Chapters is a step in extending the Institute's presence beyond metropolitan boundaries.

These Evolving Chapters will strengthen ties with students, members, & other stakeholders in the vicinity of the cities and will serve as a platform to organize student outreach programmes, professional development initiatives etc.

### ICSI JOINS HANDS WITH IAGES

The ICSI has inked MoU with Indian Association of Gold Excellence and Standards (IAGES) on January 15, 2026, in New Delhi. The MoU will provide leverage to ICSI-registered Practising Company Secretaries (PCS) firms by giving them access to IAGES' Value Chain Partners in the Indian Gold Industry who have expressed interest in undergoing assessment for IAGES accreditation. PCS firms will have an opportunity to empanel themselves with IAGES as external agency to conduct assessment of the IAGES' Value Chain Partner across India.

## ICSI CERTIFICATE COURSES FOR STUDENTS OF BANGALORE UNIVERSITY

ICSI and Bangalore University, successfully launched ICSI Certificate Courses along with a Syllabus Orientation Programme for faculty members on February 24, 2026 at the Bangalore University campus. This initiative is a significant outcome of the Academic Connect MoU between the two Institutions. For the first time, ICSI and a university have jointly designed and introduced mandatory certificate courses for undergraduate students, integrating professional learning into the UG curriculum. The initiative aims to provide early exposure to corporate laws, governance, and compliance, enhance employability, and strengthen career readiness of undergraduate students. Under this initiative, over 18,900+ students of Bangalore University are registered. The certificate courses launched for 4<sup>th</sup> Semester B.Com and BBA students include: Business Analytics and Data Visualization and Digital Marketing. The launch programme was graced by CS Dwarakanath C., Vice-President, The ICSI (Chief Guest), Shri Sheikh Latheef, KAS, MD, KMDC & Former Registrar, Bangalore University (Keynote Speaker, Prof. Jayakara S.M., Vice-Chancellor, Bangalore University, and members of Bangalore University and Chapter Managing Committee and Team ICSI at Bengaluru Chapter. The event witnessed the participation of 250+ faculty members from affiliated colleges.

## CAPACITY BUILDING SERIES ON LABOUR LAWS & RELATED COMPLIANCES

Date	Session	Topic	Faculty
09.02.2026	Session-5	The Occupational Safety, Health and Working Conditions Code, 2020-II	CS Shantanu Pethe

## REPRESENTATION SUBMITTED

Date	Particulars	Authority
19.02.2026	Representation on issues in processing of applications of Company Secretaries in Practice to act as Trade Marks Agent under the Trade Marks Act, 1999 and Rules made thereunder	Prof. (Dr) Unnat P. Pandit, Controller General of Patents, Designs & Trade Marks (CGPDTM)

## VIEWS AND SUGGESTIONS SUBMITTED

Date	Particulars	Authority
29.01.2026	Draft Industrial Relations (Central) Rules, 2025	Shri Govind Ram, Deputy Secretary, Ministry of Labour and Employment
11.02.2026	Draft Code on Social Security (Central) Rules, 2025	Shri Supriya Ranjan Datta, Deputy Secretary, Ministry of Labour and Employment
13.02.2026	Draft Code on Wages (Central) Rules, 2025	Shri Nitesh Bhasin, Under Secretary Ministry of Labour and Employment
13.02.2026	Draft Occupational, Health & Safety (Central) Rules, 2025	Shri Ravi Shankar Nirala, Ministry of Labour and Employment
22.02.2026	Draft Income-Tax Rules, 2026	CBDT
27.02.2026	Draft IEPFA (Accounting, Audit, Transfer and Refund) Amendment Rules, 2025	IEPF Authority

## PEER REVIEW CERTIFICATES ISSUED

During the month February 2026, Peer Review of around 60 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 FOR ICSI COURSES

Online sessions for the following courses were organised during February, 2026:

Certificate Course	Batch Number
Prevention of Sexual Harassment (POSH)	Batch 10
Intellectual Property Rights (IPR)	Batch 7
Professional Reboot: Women Returning to Company Secretarial Roles	Batch 3
Foreign Exchange Management Act (FEMA)	Batch 9
Goods and Service Tax (GST)	Batch 14
Commercial Contract Management (CCM)	Batch 9
Forensic Audit (FORA)	Batch 10

Results of the following Certificates were declared in February, 2026:

Certificate Course	Batch Number
Corporate Restructuring	Batch 6
ESG	Batch 2
CSR	Batch 12
IBC	Batch 6
Independent Director (Batch 9)	Batch 9
Securities/ Financial Assets	Batch 4
FORA	Batch 9
IFSCA	Batch 2

## REGISTRATION AND ONLINE SESSIONS OF PMQ COURSES

Registration in PMQ Courses on Corporate Governance, Internal Audit, Arbitration and Direct Tax were opened till February 12, 2026 for June, 2026 attempt and around 70 candidates were registered in these PMQ courses. After registration of candidates, online sessions of following PMQ Courses were started from February 14, 2026:

- PMQ Course on Corporate Governance
- PMQ Course on Internal Audit
- PMQ Course on Arbitration
- PMQ Course on Direct Tax

## ANNOUNCEMENT OF PMQ EXAMINATION RESULTS

Results of PMQ Examination on Corporate Governance, Internal Audit, Arbitration and Direct Tax for December 2025 attempt were declared on February 25, 2026.

## PLACEMENT OPPORTUNITIES FOR COMPANY SECRETARIES

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.

(February 2026)

No. of entities that Posted Jobs on the ICSI Placement Portal	133
No. of Openings available on the ICSI Placement Portal	171

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

## STATUS OF REGISTRATIONS AND POSTINGS AT THE PLACEMENT PORTAL

(On 27 February 2026)

Registered Users			Total no. of Vacancies
Members	Students	Corporates	Jobs / Trainings
22,391	34,835	8,220	40,086

## ICSI SECTION 8 COMPANIES

### ICSI INSTITUTE OF INSOLVENCY PROFESSIONALS

- Workshops

Date	Subject	Speaker(s)	YouTube link
04.02.2026	Voluntary Liquidation and Treatment of Delayed Claims	CS and IP Vishawjeet Gupta CS and IP Sanyam Goel	<a href="https://youtube.com/watch?v=6ZnWlg6VDj8&amp;t=338s">youtube.com/watch?v=6ZnWlg6VDj8&amp;t=338s</a>
10.02.2026 and 11.02.2026	Decoding IBC Across Industries: Challenges and Best Practices	CS and IP Suhasini Ashok B. CS and IP Prakul Thadi IP Manish Paliwal	<a href="https://youtube.com/watch?v=nT2XHxpE_kY">youtube.com/watch?v=nT2XHxpE_kY</a> <a href="https://youtube.com/watch?v=IFpA3fp13FY">youtube.com/watch?v=IFpA3fp13FY</a>
20.02.2026 and 21.02.2026	Evolving Landscape of IBC	IP Sandeep Kumar Bhatt CS and IP Sucheta Gupta	<a href="https://youtube.com/watch?v=DBCfZqRG8ME">youtube.com/watch?v=DBCfZqRG8ME</a> <a href="https://youtube.com/watch?v=po5OGFcBqJk">youtube.com/watch?v=po5OGFcBqJk</a>

- Webinars

Date	Subject	Speaker(s)	YouTube link
06.02.2026	Real Estate Distress under IBC	IP Devvart Rana	youtube.com/watch?v=hPkKyO3dHb0
09.02.2026	Use of Technology in CIRP and Liquidation Process under IBC	CS and IP Siva Rama Prasad Puvvala	youtube.com/watch?v=7dbH_oCuLbY
13.02.2026	PGIP - Introducing Insolvency to the World of Education	Mr. Sudhakar Shukla	youtu.be/FqMLSb3fm5Y
18.02.2026	Disclosure requirements related to Avoidance Transactions in Information Memorandum	CS and IP Siva Rama Prasad Puvvala	youtube.com/watch?v=Wy2204an7WA
26.02.2026	Practical Challenges faced during Liquidation Processes	CS and IP S. Dhanapal	youtube.com/watch?v=85rEVi0NfBo

- Roundtable

Date	Subject	Speaker(s)	Youtube Link
25.02.2026	IBBI Discussion Paper dated 16 <sup>th</sup> February, 2026	CS Barsha Dikshit CS Neha Malu	youtube.com/watch?v=9hHt_rOgUHg

### ICSI REGISTERED VALUERS ORGANISATION

Date	Programme	Faculty	
19.02.2026-25.02.2026	50 Hours Online Educational Course on Valuation of Securities or Financial Assets	Dr. Ajay Garg Mr. Chaitanya jee Srivastava CS K. Chandra Sekhar CS Kanishk Arora CS Preeti Garg CS Rajesh Mittal	CS Sandeep Kothari CA Sumit Dhadda CS Rajiv Garodia CMA Murali Raman CA Tarun Mahajan CS Harish Chander Dhamija

### 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

#### 6<sup>th</sup> Board Mentorship Programme to be organized at Shillong (Meghalaya)

The Institute of Governance Professionals of India is organizing the 6<sup>th</sup> edition of the ICSI Board Mentorship Programme, in Shillong, Meghalaya from April 02-05, 2026. The four-day Programme will focus on Board's Legal and Regulatory Landscape by way of engaged, experiential and interactive learning, primarily to develop expertise in governance and sustainability practices. To register visit: <https://stimulate.icsi.edu/RO/RO/Delegate>

### ICSI CCGRTs

#### ICSI-CCGRT HYDERABAD

- Member's Programme

Date	Name of Event	Participants
21.02.2026	Workshop on Meetings of Board of Directors and its powers for Listed and Unlisted Companies	56

- Student's Programme

Date	Name of Event	Participants
23.02.2026	29 <sup>th</sup> CLDP Phase-II Inaugural Session	43

## ICSI-CCGRT KOLKATA

- Members' Programme**

Date	Event
27.02.2026-28.02.2026	2 Days Research Workshop on Corporate Restructuring

- ICSI Debating Society of ICSI-CCGRT, Kolkata**

Date	Event	Topic
28.02.2026	Debating Society	Online Education will Replace the Traditional Classroom Teaching

## ICSI-CCGRT MANESAR

- Member's Programmes**

Dates	Event
13.02.2026-14.02.2026	2 Days Residential Capacity Building Workshop on SEBI (LODR) Regulations, 2015
21.02.2026	One Day Workshop on Practical Aspects of Board Meetings

- Student's Programmes**

Dates	Event
28.01.2026-11.02.2026	3 <sup>rd</sup> batch of RCLDP
23.02.2026-10.03.2026	4 <sup>th</sup> batch of RCLDP

## ICSI-CCGRT MUMBAI

- Member's Programmes**

Dates	Event	Participants
14.02.2026-15.02.2026	2 days Residential/Non-Residential Workshop on 'Demystifying AI for Governance Professionals'	55

- Student's Programmes**

Dates	Name of Event / Activity	Participants
21.01.2026-05.02.2026	2 <sup>nd</sup> batch of CLDP Phase - II	41
09.02.2026-23.02.2026	3 <sup>rd</sup> batch of CLDP Phase - II	30
25.02.2026-12.03.2026	4 <sup>th</sup> batch of CLDP Phase - II	38

- ICSI Debating Society of ICSI-CCGRT, Mumbai**

Date	Event	Topic
21.02.2026	Debating Society	'Regulatory Compliance vs. Ease of Business: Is Compliance Hindering Corporate Growth in India?'

## ICSI REGIONAL OFFICES

### ICSI-EIRO

- Member's Programme**

Date	Event / Activity
07.02.2026	Half Day Workshop on Decoding of Union Budget 2026

- Student's Programmes**

Date	Event / Activity
09.02.2026 - 11.02.2026	25 <sup>th</sup> Three Days Orientation Programme
09.02.2026 - 11.02.2026	26 <sup>th</sup> Three Days Orientation Programme
17.02.2026 - 19.02.2026	27 <sup>th</sup> Three Days Orientation Programme
17.02.2026 - 19.02.2026	28 <sup>th</sup> Three Days Orientation Programme
24.02.2026 - 26.02.2026	29 <sup>th</sup> Three Days Orientation Programme
13.02.2026	2 <sup>nd</sup> Student Induction Programme
06.02.2026 to 23.02.2026	36 <sup>th</sup> Executive Development Programme

### ICSI-SIRO

- Student's Programmes**

Date	Name of Event / Activity
03.02.2026-19.02.2026	24 <sup>th</sup> Batch of Executive Development Programme (EDP)
05.02.2026-07.02.2026	15 <sup>th</sup> Batch of Three Days Orientation Programme (TDOP)
10.02.2026	Trainee Drive for the students of ICSI
10.02.2026	Commencement of Executive Programme Classes for June 2026 examination for Module-II Morning Batch (2 <sup>nd</sup> Batch)
12.02.2026-14.02.2026	16 <sup>th</sup> Batch of Three Days Orientation Programme (TDOP)
17.02.2026	2 <sup>nd</sup> Batch of Student Induction Programme (SIP)
18.02.2026-20.02.2026	17 <sup>th</sup> Batch of Three Days Orientation Programme (TDOP)
25.02.2026-28.02.2026	18 <sup>th</sup> Batch of Three Days Orientation Programme (TDOP)
26.02.2026	Commencement of Executive Programme Classes for June 2026 examination for Module-I Evening Batch (2 <sup>nd</sup> Batch)
27.02.2026	1 <sup>st</sup> Batch of CSEET commenced through online mode
28.02.2026	Study Circle Meeting on "Leverage"

- ICSI Debating Society for Members and Students**

12.02.2026	Happiness is more important than success
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**ICSI-WIRO**

- Member's Programmes**

Date	Event	Guest / Speaker	Participants
13.02.2026	Decoding for Loans and Investments and Related Party Transaction for Unlisted Companies	CS Amita Desai Company Secretary & IP - Co-Founder InCorp Advisory Services Pvt. Ltd.	150
20.02.2026	Critical issues in the Companies Act, 2013	CS Siddharth Jain, Director, Corporate Secretarial, Cipla Limited	81
21.02.2026	Critical Issues: SEBI Listing Regulations, Insider Trading & Companies Act, 2013	CS Savithri Parekh, Company Secretary & Compliance Officer, Reliance Industries Limited	257

- Student's Programmes**

Date	Name of Event / Activity
05.02.2026-23.02.2026	67 <sup>th</sup> Classroom Mode EDP
26.02.2026-18.03.2026	68 <sup>th</sup> Classroom Mode EDP
28.01.2026-12.02.2026	2 <sup>nd</sup> Batch of CLDP Phase-I
25.02.2026-17.02.2026	3 <sup>rd</sup> Batch of CLDP Phase-I
02.02.2026-04.02.2026	15 <sup>th</sup> Batch of Three Days Orientation Programme (TDOP)
16.02.2026-18.02.2026	16 <sup>th</sup> Batch of Three Days Orientation Programme (TDOP)
19.02.2026-21.02.2026	17 <sup>th</sup> Batch of Three Days Orientation Programme (TDOP)
23.02.2026-25.02.2026	18 <sup>th</sup> Batch of Three Days Orientation Programme (TDOP)
13.02.2026	1 <sup>st</sup> Batch of Student Induction Programme (SIP)

- Study Circle Meetings**

Date	Study Circle	Topic
06.02.2026	Bhilai Study Circle	MSME Compliances
08.02.2026	Kandivali Study Circle	New Labour Code Opportunities for CS in Labour Laws
12.02.2026	Sangli Study Circle	Workplace Management & Companies Act in the Light of the Constitution
14.02.2026	Jamnagar Study Circle	A Comparative Study of UK and Indian Accounting Systems: Tax, Accounting & Practical Difference & Union Budget 2026: Important Announcements for ICAI, ICSI & ICAI
16.02.2026	Adani (Corporate) Study Circle	FEMA – Overview and Practical case studies
18.02.2026	L&T (Corporate) Study Circle	Securities Market Code, 2025 & NFRA Circular on Effective Communication Between Statutory Auditors and Those Charged with Governance, Including Audit Committees
26.02.2026	Mahindra (Corporate) Study Circle	Best Practices and Controls Related Party Transactions
26.02.2026	JSW Group (Corporate) Study Circle	Disclosures under listing regulations and common observation from stock exchanges
27.02.2026	Santacruz (Corporate) Study Circle	Compliances under Regulation 30 of SEBI (LODR) Regulations, 2015
28.02.2026	Bhilai Study Circle	Computation of Net Profit under Section 198 of the Companies Act, 2013 for the purposes of Managerial Remuneration and CSR

**ICSI-NIRO**

- Member's Programmes**

Date	Event	Participants
02.02.2026	ICSI-NIRC Seminar on Union Budget, 2026	400
20.02.2026-21.02.2026	ICSI-NIRC Gyan Vridhi Programme on "Corporate Actions: Technicalities, Practical Aspects & Tax Implications"	70

- **Student's Programmes**

Date	Name of Event / Activity	Participants
02.02.2026-18.02.2026	3 <sup>rd</sup> Batch of CLDP PHASE 1	57
27.02.2026-20.03.2026	4 <sup>th</sup> Batch of CLDP PHASE 1	49
17.02.2026-09.02.2026	64 <sup>th</sup> Batch of Executive Development Programme	55
18.02.2026-05.03.2026	65 <sup>th</sup> Batch of Executive Development Programme	49
31.01.2026-03.02.2026	32 <sup>nd</sup> Batch of Three Days Orientation Programme	44
03.02.2026-05.02.2026	33 <sup>rd</sup> Batch of Three Days Orientation Programme	49
04.02.2026-06.02.2026	34 <sup>th</sup> Batch of Three Days Orientation Programme	48
05.02.2026-07.02.2026	35 <sup>th</sup> Batch of Three Days Orientation Programme	25
07.02.2026-10.02.2026	36 <sup>th</sup> Batch of Three Days Orientation Programme	44
10.02.2026-12.02.2026	37 <sup>th</sup> Batch of Three Days Orientation Programme	53
11.02.2026-13.02.2026	38 <sup>th</sup> Batch of Three Days Orientation Programme	30
13.02.2026-15.02.2026	39 <sup>th</sup> Batch of Three Days Orientation Programme	40
14.02.2026-16.02.2026	40 <sup>th</sup> Batch of Three Days Orientation Programme	37
16.02.2026-18.02.2026	41 <sup>st</sup> Batch of Three Days Orientation Programme	35
17.02.2026-19.02.2026	42 <sup>nd</sup> Batch of Three Days Orientation Programme	28
19.02.2026-21.02.2026	43 <sup>rd</sup> Batch of Three Days Orientation Programme	35
20.02.2026-22.02.2026	44 <sup>th</sup> Batch of Three Days Orientation Programme	20
23.02.2026-25.02.2026	45 <sup>th</sup> Batch of Three Days Orientation Programme	34
24.02.2026-26.02.2026	46 <sup>th</sup> Batch of Three Days Orientation Programme	38
26.02.2026-28.02.2026	47 <sup>th</sup> Batch of Three Days Orientation Programme	38
28.02.2026-02.03.2026	48 <sup>th</sup> Batch of Three Days Orientation Programme	25
13.02.2026	2 <sup>nd</sup> Batch of Student Induction Programme	49
16.02.2026	3 <sup>rd</sup> Batch of Student Induction Programme	28
17.02.2026	4 <sup>th</sup> Batch of Student Induction Programme	47
19.02.2026	5 <sup>th</sup> Batch of Student Induction Programme	13
20.02.2026	6 <sup>th</sup> Batch of Student Induction Programme	56

## ICSI EMPLOYEES

- **Webinar on "General Cancer Awareness" by Dr. Reddy's Foundation**

On the occasion of "World Cancer Day" a webinar was organized on February 04, 2026 on the topic "General Cancer Awareness" by Dr. Reddy's Foundation for the benefit of ICSI employees and pensioners. All employees/veterans participated in the webinar presented by Dr. Narender Kumar Thota, Consultant Hemato Oncologist.

## ICSI STUDENTS

### FACILITATION AND RELAXATION

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

Results of CS Executive & Professional for December 2025 Session of Examination were declared on 25<sup>th</sup> February 2026. 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)

During this session, 4015 students successfully completed the Executive while 2270 students qualified in Professional programme, thereby advancing toward membership of the Institute.

- **ICSI Student Amnesty Scheme 2025 : Last Date extended till April 30, 2026**

The Institute has introduced a special Amnesty Scheme for 3 Months w.e.f., 1<sup>st</sup> December 2025, one-time opportunity for earlier students to Rejoin, Restart, and Rebuild their path for becoming a Company Secretary.

Category	Eligibility	Fee
I	Earlier Students of Intermediate / Executive Programme Stage OR Final /Professional Programme Stage; and Registrations expired and are not eligible for Registration De-novo	₹5,000
II	Existing Students of Executive Programme under Syllabus 2022; and registered afresh in Executive Programme after expiry of earlier registration, as they were not eligible for Registration De-novo OR Existing Students of Professional Programme under Syllabus 2022; and Registered in Professional Programme after expiry of earlier registration, through Re-Registration	₹1,000

As a result, 451 students have utilized the Amnesty Scheme under Category-1 since December, enabling them to regularize their status and continue their studies seamlessly. Given the overwhelming response, Last date for the same has been extended till April 30, 2026. The detailed information is available at: [https://www.icsi.edu/whats\\_new\\_icsi/amnesty/](https://www.icsi.edu/whats_new_icsi/amnesty/)

- CS Mittr Scheme:**

ICSI has introduced CS Mittr incentive Scheme wherein any person who is above 18 years of age is eligible to become CS Mittr under the scheme. Incentive @ ₹500 will be paid per student to the CS Mittr for each student registered in Executive Programme. To register visit: [smash.icsi.edu/Scripts/Registration/Mittr\\_Registration.aspx?rmode=1#](http://smash.icsi.edu/Scripts/Registration/Mittr_Registration.aspx?rmode=1#) As on date, ICSI has **1075** CS Mittr enrolled.
- 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.
- 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 initiative for students who:

  - ◆ Have successfully passed the Executive Programme
  - ◆ Did not register for the Professional Programme
  - ◆ Have an expired registration term and not eligible for de-novo

The students can continue their study from the Professional Programme with this initiative, eliminating the need to repeat the Executive level.

*Key Benefits:*

  - ◆ Saves time by skipping the Executive level
  - ◆ Helps students continue their academic and professional journey seamlessly

As a result, **741** students registered in Professional Programme since May 2014. The detailed information is available at: [icsi.edu/docs/Webmodules/REREGISTRATION.pdf](http://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, **16596** students registered in Professional Programme since August 2023.
- ICSI Samadhan Diwas**

64<sup>th</sup> Samadhan Diwas was organised on February 11, 2026 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, **06** Transcripts were issued. Likewise, on request of the employer/ PSU/government authorities and other Education verifier agencies, **04** 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: [icsi.edu/media/webmodules/ATTENTION\\_STUDENTS\\_RECIPROCAL\\_EXEMPTION\\_NEW\\_SYLLABUS\\_2022\\_Updated.pdf](http://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.
- Dedicated Helpline Number for Student Queries**

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

## JUNE 2026 EXAMINATIONS

- **Master Classes**

Registrations open for Master Classes of Executive & Professional Programme for June 2026 Examination: Registration Link: <https://stimulate.icsi.edu/RO/Home/delegateportal/3437>

- **Successful configuration of June 2026 Enrolment Setup for CSEET, Executive & Professional Programme Students**

The examination enrolment system has been successfully configured for the students registered under CSEET, Executive & Professional programme who are eligible for June 2026 session of examination.

## TRAINING OPPORTUNITIES

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

<b>No. of Corporates/MCA and other Government Bodies/PSUs/PCS Firms that Posted Training and Semi-qualified Job Opportunities on the ICSI Placement Portal</b>	216
<b>No. of Training/Semi-qualified Opportunities available on the ICSI Placement Portal</b>	320

- NLC India Limited selected one Member as Graduate Executive Trainee (Secretarial) (E2 Grade) [Scale : (Rs. 50000-160000) CTC Rs. 13.94 Lakh] through ICSI.

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 (Classes to commence from 09.03.2026)**

Online Centralized classes are being conducted for students registered for the upcoming Session of CSEET. Faculties with vast experience take these classes.

- **Restructuring of COMPANY SECRETARY EXECUTIVE ENTRANCE TEST (CSEET) (Effective from June 2026 Session)**

The Institute is striving to continuously enhance the quality of education, professional standards, and overall learning experience for aspiring Company Secretaries. In line with this objective, a comprehensive review of the Company Secretary Executive Entrance Test (CSEET) structure has been undertaken by the Institute. The first session of restructured CSEET will be held in June 2026. The registrations for 1<sup>st</sup> restructured CSEET have commenced from 16<sup>th</sup> December 2025 to 15<sup>th</sup> February 2026.

Fee Structure:

Fee at the time of CSEET Registration (Inclusive of Student Induction Programme (SIP) and Online Classes)	₹7500
Examination Fee (to be paid separately - Per Session)	₹1500

- **Classes in physical mode at Regional/Chapter Offices for Restructured CSEET**

To facilitate students and to prepare them for the CSEET examination, ICSI through its Regional/Chapter Offices will conduct CSEET classes in physical mode for the students registering for the upcoming Session of CSEET scheduled to be held in the month of June 2026. Faculties with vast experience shall be taking these classes. The Classes for June session have commenced from January 2026. All interested students are requested to contact their nearest Regional/Chapter Office to join these classes.

- **Centralized online Classes of CSEET**

ICSI will conduct online Centralized classes for the students registered for the upcoming Sessions of CSEET. Faculties with vast experience shall be taking these classes. The online classes for June 2026 Restructured CSEET will commence from March 09, 2026.

- **Student Induction Program (SIP) for students of restructured CSEET**

Students registering for restructured CSEET on or after 16.12.2025, are required to undergo Student Induction Program (SIP) of 01 day within 01 month of their registration. Attending and completing SIP is a prerequisite for enrolling in the CSSET examination.

## KNOWLEDGE UPGRADATION

- **Study material for new elective paper 'IFSCA - Regulations, Listing and Compliances'** under Syllabus 2022 as Elective 1; Paper 4.6 (Applicable from June 2026 session) is available at: [icsi.edu/media/webmodules/Academics/Final\\_Book\\_IFSCA\\_Regulations\\_Listing\\_and\\_Compliances\\_20012026.pdf](http://icsi.edu/media/webmodules/Academics/Final_Book_IFSCA_Regulations_Listing_and_Compliances_20012026.pdf)

- **Student Company Secretary e-journal and CSEET Communique**

The journals for the month of **February, 2026** are available at: [www.icsi.edu/e-journals/](http://www.icsi.edu/e-journals/)

- **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/)

- **Study material of Executive Programme for June 2026 Examinations**

Under Syllabus 2022 as applicable for June 2026 examination has been uploaded on ICSI Website. Same can be accessed at: [icsi.edu/academic-portal/new-syllabus-2022/executive-programme/](http://icsi.edu/academic-portal/new-syllabus-2022/executive-programme/)

## CAREER AWARENESS

- *Career Awareness Programmes conducted across the country*

S. No.	Region	Name of Institution	Date	Venue
1.	WIRO	The Sadhana Education Society's L. S. Raheja College of Arts and Commerce	05.02.2026	Mumbai
2.	WIRO	Sree Narayana Guru College of Commerce	23.02.2026	Mumbai
3.	SIRO	Anna Adarsh College for Women	06.02.2026	Chennai
4.	SIRO	Dr. Ambedkar Government Law College	06.02.2026	Chennai
5.	SIRO	Hindustan Arts and Science College	06.02.2026	Chennai
6.	SIRO	Apollo Arts and Science College	11.02.2026	Chennai
7.	SIRO	Krishnasamy College of Science, Arts & Mgt. for Women	11.02.2026	Chennai
8.	SIRO	Immaculate College of Women	11.02.2026	Cuddalore
9.	NIRO	Baba Ramdev Sarvodyaya Kanya Vidyalaya	03.02.2026	New Delhi
10.	NIRO	Govt. Senior Sec. Boys School	03.02.2026	New Delhi
11.	NIRO	Maharaja Agrasen College, Delhi University	10.02.2026	New Delhi
12.	NIRO	SGBT Khalsa Boys School	13.02.2026	New Delhi
13.	NIRO	BJS Public School	19.02.2026	New Delhi
14.	NIRO	Jagannath Institute of Management	24.02.2026	New Delhi
15.	NIRO	Vivekanand College, DU	25.02.2026	New Delhi
16.	NIRO	Jagannath Institute of Management	26.02.2026	New Delhi
17.	NIRO	Kurukshetra University	20.02.2026	Kurukshetra
18.	EIRO	Victoria Institution (College)	07.02.2026	Kolkata
19.	EIRO	Shyambazar Law College	10.02.2026	Kolkata
20.	EIRO	Goenka College of Commerce & Business Administration	26.02.2026	Kolkata

- *Career Fair*

Name of Institution	Date	City
Kurukshetra University (Programme conducted on Companies Act, 2013)	20.02.2026	Kurukshetra
Shri Ram College of Commerce – "SRCC Business Conclave"	17.02.2026-19.02.2026	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, letters addressed to 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 CS Course in a structured and impactful manner.

## DIGITAL ICSI

- In line with the Council's decision, a study material dispatch module has been developed and implemented to facilitate the distribution of study material to students registering for the Executive Programme, upon receipt of the registration fee.



INTERNATIONAL  
**WOMEN'S**  
*Day*

*Rights. Justice. Action.*

*For ALL Women and Girls.*

# Women Leadership

## Views of Women Professionals



### CS Preeti Malhotra

***Vice-Chairman of the Supervisory Board of Modi Holdings Group, Former President, ICSI and Past Chairman of Smart Bharat Group***

On the occasion of International Women's Day, we reaffirm a powerful mandate: ***Rights, Justice, and Action—For All Women and Girls***. Women's leadership is no longer a distant aspiration; it is a living vision to be embraced, claimed, and embodied. Just as subtle seismic tremors can trigger transformative change, small yet significant shifts in the mindset of women are unleashing immense capacity to lead with strength, independence, and conviction. Intellectually and inherently, men and women are equals. True justice demands that women occupy equal space in society—space that enables them to realize their fullest potential. This belief must permeate every sphere of life: education, workplaces, governance, and homes. Historically, women were conditioned to accept secondary roles. Today, that narrative is being rewritten. Generation Y, Generation Z, and the emerging Alpha Generation are accelerating change at an unprecedented pace. Educated, economically aware, fearless, and globally connected, they refuse to tolerate inequality—whether in opportunity, pay, leadership, or relationships. Their assertiveness signals a decisive shift toward equity.

For a genuinely gender-neutral society to emerge, women must hold positions at the highest decision-making tables. Governments, industries, and communities must collaborate intentionally to make this a reality. We stand at the threshold of an exponential era shaped by AI, robotics, and STEM innovation. While technology can level the playing field, it can also replicate existing biases. Women's perspectives must shape the algorithms, policies, and governance frameworks of the future to ensure inclusivity and fairness.

In a rapidly evolving and disruptive landscape where artificial intelligence expands at a staggering rate, women cannot remain passive participants. They must be architects of progress—defining the ethics, values, and direction of tomorrow. As courage expands possibility, so too does conviction expand impact. The time to lead is now. By uniting the transformative power of technology with the resilience and vision of women, we can forge a future defined by equality, dignity, and shared progress for all.



### CS (Dr.) Mamta Binani

***President, MSME Development Forum - West Bengal, Former President, ICSI and Registered Insolvency Professional***

Rights acquire meaning only when they move beyond documentation and translate into lived experience. For women and girls across the world, the promise of equality has long been articulated in constitutions, policies, and board resolutions. Yet, the true test lies in whether governance systems are designed to convert those rights into everyday realities.

Inclusive governance is not a symbolic gesture; it is a structural commitment. It demands that institutions consciously create spaces where women participate in decision-making, influence policy, and lead with authority. Justice, in this context, is not confined to legal recourse—it is reflected in fair representation, equal opportunity, safe workplaces, and unbiased evaluation systems.

Action is the defining differentiator. It is seen when boards prioritise diversity, when leadership pipelines are strengthened for women professionals, and when young girls are mentored to believe that leadership is not an exception but an expectation. Sustainable change does not occur through intent alone; it requires measurable accountability and consistent institutional effort.

The Institute of Company Secretaries of India (ICSI), through its emphasis on ethical governance and compliance, plays a critical role in advancing this agenda. Company Secretaries, as custodians of governance frameworks, are uniquely positioned to advocate inclusive policies, strengthen ESG commitments, and ensure that fairness becomes embedded in corporate culture.

When governance is inclusive, growth becomes equitable. When rights are protected through justice and reinforced through action, empowerment is no longer aspirational—it becomes operational.

Inclusive governance is therefore not merely about representation; it is about responsibility. And that responsibility rests with each of us to transform principles into progress—for every woman and every girl.



### CS Savithri Parekh

**Company Secretary & Compliance Officer, Reliance Industries Limited**

The pursuit of **Rights, Justice, and Action** for all women and girls is not merely a moral aspiration; it is the cornerstone of a truly equitable society. While we have made progress, the path to true equality requires us to shift from passive advocacy to inclusive action.

This cycle begins with awareness. Rights form the legal and ethical foundation. We must recognise that rights are not privileges granted by states, but inherent entitlements including right to education, to equal pay etc. But recognition alone is insufficient. We must ensure these rights are protected through the grant of equal opportunity, implemented so that they lead to the deep, involved engagement in nation building of every woman and girl.

Justice demands more than the letter of the law. It demands we dismantle the structures that are not gender equal or gender neutral. It requires a gender-responsive approach to every global challenge including the digital revolution.

Finally, action is our engine. We must move from 'awareness' to 'impact' by supporting and mentoring young girls and professionals in meeting their aspirations and enabling their growth. Gender equality is not a 'special interest'; it is a primary economic and social necessity. Men will also participate in this journey as active allies.

The path forward is clear: Let us move from a world of potential to a world of lived equality for every woman, everywhere.



### CS Geetika Anand

**Company Secretary & Compliance Officer at Hindalco Industries, Aditya Birla Group**

Leadership is often defined by the milestones we reach, but its true measure is the legacy of access we leave behind. Stepping into the executive ranks early in my career taught me that progress cannot be passive. As we champion this year's imperative—**Rights. Justice. Action. For ALL Women and Girls**—we must treat these pillars not as social abstractions, but as the very bedrock of sustainable corporate governance and economic resilience. Rights are our uncompromising baseline. In the boardroom, this translates beyond mere compliance into absolute pay equity,

psychologically safe cultures, and an authoritative voice at the apex of decision-making. Upholding these rights is the prerequisite for any institution claiming to be forward-thinking.

Yet, rights on paper mean little without Justice in practice. Justice demands we dismantle the systemic architecture that has historically kept women on the periphery of power. Having frequently been the youngest—and often the only—woman in the room, I know true justice requires abandoning the comfort of superficial diversity metrics. It means cultivating environments where exceptional merit is recognized free from unconscious bias, ensuring equitable pathways to the C-suite for women across every section of society.

However, rights and justice remain dormant without bold, intentional Action. As corporate stewards, we are obligated to bridge the gap between rhetoric and reality. We must replace passive mentorship with active sponsorship—putting our own professional capital on the line to elevate emerging talent. We must institutionalize policies that embrace work-life integration without stalling career momentum. Crucially, this mandate must be For ALL Women and Girls. If our progress only elevates a select few, we have merely rearranged the *status quo*. By transforming our boardrooms into true arenas of equity today, we empower the next generation to lead without boundaries tomorrow.



### CS Renu Bhandari

**Senior Vice-President, Head Broker Supervision and Member Compliance - National Stock Exchange of India Limited (NSE)**

In a rapidly growing India, true women empowerment means ensuring every woman has the right to learn, earn and invest to be visible in the financial system. Justice is not only equal opportunity but equal outcome in pay, leadership team, access to boardrooms and decision making.

When it comes to actions it should include implementing comprehensive policies against gender based violence, increasing female representation in leadership team. Women empowerment is not just opening doors, it is about ensuring women thrive after they walk through them.



### CS Divya Tandon

**Former Executive Director & Company Secretary, Powergrid Corporation of India Ltd.**

The words **“Rights, Justice, and Action”** resonate strongly with many women who pursue professional careers. While obtaining the Company Secretary qualification provides an entry into the profession, building a strong and established presence within it is often a challenging journey.

Although the Constitution of India guarantees justice and equality for women through Articles 14, 15, 19, and 21, and Article 51A(e) calls upon citizens to renounce practices that undermine the dignity of women, the reality remains complex. Deep-rooted historical gender biases and social prejudices continue to result in the underrepresentation of women across most professions.

As Dr. B.R. Ambedkar rightly said:

“I measure the progress of a community by the degree of progress which the women have achieved.”

The theme “Rights, Justice and Action” for women and girls in 2026 underscores that significant work still lies ahead. Stronger safeguards, greater access to leadership roles, and more evolved, inclusive policies are essential to truly empower women. Concrete and measurable action to promote women’s leadership is the need of the hour.

In the specific context of the Company Secretary profession, women must thoughtfully consider the role they play in shaping their own meaningful and fulfilling futures. The regulatory and legal environment is evolving rapidly, with significant advancements taking place. As women gain experience, visibility, and career progression, it becomes imperative to continuously upgrade their skills and embrace lifelong learning. Knowledge remains the strongest asset, and proactive upskilling will open doors to greater professional opportunities.

Moreover, Artificial Intelligence is emerging as a powerful transformative force across industries. Women professionals must actively adopt and adapt to these technological shifts. By cultivating a long-term vision, stepping into strategic roles, asserting autonomy, upholding high standards of integrity, and building networks beyond their immediate organizations, they can unlock their full potential and create sustainable career pathways.

Finally, while striving to generate value for their organizations and achieving financial independence, women should also prioritize their well-being. Professional success must go hand in hand with becoming healthy, empowered, and balanced individuals.



### Prof. (Dr.) Ruhi Paul

**Professor of Law & Registrar, National Law University, Delhi**

International Women's Day is both a celebration of progress and a call to conscience. This year's theme **“Rights. Justice. Action. For ALL Women and Girls”** underscores a fundamental truth: equality must move beyond aspiration to implementation.

Ensuring rights for women and girls requires more than acknowledgment; it demands sustained commitment. Justice must not remain an abstract ideal but must be reflected in our laws, institutions, and everyday practices. Action, therefore, becomes our shared responsibility: to remove structural barriers, expand access to quality education, and create environments where every woman and girl can thrive with dignity and confidence.

In legal education and institutional governance, our role is especially significant. By equipping young women with knowledge, ethical grounding, and leadership opportunities, we strengthen not only individual futures but the foundation of a just society. When rights are protected, justice is upheld, and meaningful action is taken, inclusive leadership naturally follows.

On this International Women's Day, let us reaffirm our commitment to advancing rights, strengthening justice systems, and taking deliberate action - ensuring that no woman or girl is left behind.

Let us continue to lead with purpose, integrity, and resolve.



### Ms. Raavi Birbal

**Advocate, Supreme Court and Delhi High Court**

With the right professionals, world economics can boom. Skilled professionals can be true game-changers for the global economy. Individually as well as collectively, they can form a vital part of economic growth. The global economy stands to gain trillions by unlocking full potential of women and girls. The 70<sup>th</sup> session of the United Nations Commission on the Status of Women (CSW70) is thus going to be an important one.

Professionals play a crucial compliance, advisory, and ethical role in ensuring that organizations follow laws meant to promote the safety, dignity, equality, and empowerment of women. Proper legal compliance helps prevent penalties and legal exposure. Effective policy framing and implementation including well-drafted policies on POSH, equal opportunity, maternity benefits, anti-discrimination etc. can go a long way in fostering individual development and economic empowerment. This not only benefits women but also safeguards entities from heavy penalties and reputational risks.

Ethical governance includes promoting gender equality, dignity, respect. In their board advisory role, professionals must guide boards on gender diversity, workplace safety, corporate social responsibility initiatives for women. Such progressive stances attract foreign investment, as ethics, governance, compliances are primary factors that global companies consider before investing.

For awareness and training, organizations should conduct sensitization programs, legal compliance workshops, and gender equality awareness drives. In whatever role they serve, corporate professionals must act as guardians of compliance, champions of ethical governance, protectors of workplace dignity, and facilitators of gender justice.

India's legal framework provides a robust foundation for gender justice, from constitutional guarantees to specialized legislations addressing workplace safety, domestic violence, sexual harassment, equal remuneration etc. However, the challenge lies in effective implementation. Strategic litigation, policy advocacy, corporate governance reforms can together bridge the gap between law on paper and justice in practice. By embedding diversity policies, strengthening POSH compliance, promoting pay equity, and fostering inclusive workplaces, professionals can significantly influence corporate culture and accountability.

Action is the defining element. Every advisory, contract, policy, and courtroom argument is an opportunity to advance gender justice. The call of our time is clear: rights must be protected, justice must be delivered, and action must be sustained. This is not merely a professional responsibility, it is a constitutional and moral imperative for organizations and individuals alike.



### Ms. Poyni Bhatt

**Chairperson of SEDEMAC & Founding member and Ex-CEO of the Society for Innovation & Entrepreneurship (SINE)**

Every year on 8<sup>th</sup> March, conversations around women's empowerment and leadership gather momentum as the world celebrates International Women's Day. The day commemorates women's long struggle for equality, liberation, and rights. Its origins trace back to the early 20<sup>th</sup> century as "Women's Day," later embraced by socialist and labour movements across Europe and North America.

In 1975, the United Nations formally recognized 8<sup>th</sup> March as International Women's Day. This history reminds us that gender disparity is not a recent concern; women have been fighting for equality for over a century, and the struggle is far from complete.

Having worked in innovation and entrepreneurship for over two decades, I see that only about 5-10% of venture capital funding is received by women entrepreneurs. Yet, evidence suggests that women-led startups foster stronger gender inclusion. Startups with at least one female founder have significantly more women in senior roles than male-founded ventures. With rising female enrolment in higher education, particularly in STEM, the potential for future women entrepreneurs is strengthening. Policy interventions, mentoring, grants, and targeted funds are helping bridge the gap. But true gender parity requires collective societal effort from both men and women to consciously reshape their roles, at work and at home, where empowerment becomes a practice, not an annual event.



### Prof. Rajni Abbi

**Director South Campus, University of Delhi and Ex-Mayor, Delhi**

On this International Women's Day, the Institute of Company Secretaries of India (ICSI) celebrates the strength, resilience, and achievements of women across the globe. The theme '*Rights, Justice, Action for Women and Girls*' resonates deeply with our commitment to fostering an inclusive and equitable society. Women are the backbone of our communities, driving progress and innovation in every sphere. The ICSI is empowering women with the tools, opportunities, and support they need to thrive. Whether it's breaking glass ceilings in corporate boardrooms or leading social change

initiatives, women's contributions are invaluable. Let's take a pledge today to:

- Advocate for equal opportunities.
- Stand against discrimination and injustice.
- Support women's education and growth.
- Celebrate women's achievements.

*To all the incredible women, you are seen, you are heard, and you are valued. Here's to creating a future that's bright and inclusive for all.*



### Dr. G. Mythili

**Additional Director, Indira Gandhi National Open University (IGNOU)**

*Power of Reciprocity and Support to Women in Society*

The development of any society is indistinguishably tied to the strength, resilience, and leadership of women. The law of reciprocity, which is defined by the provision of support, knowledge, opportunity, and encouragement, creates a strong cycle of development that works for the individual as well as the community. When women participate in mutual empowerment, share experiences, and offer opportunities, the effects of these knowledge and experiences transform to the next generation. The sign of giving back is transmuted from a transaction to a responsibility. When it comes to the

workplace, empowerment helps women overcome challenges and barriers. In the community, it can enhance confidence, entrepreneurship, and engagement. In the education and skills development sector, empowered engagement can help transform aspirations into reality.

In my capacity as an academican at the Indira Gandhi National Open University (IGNOU), I have noticed that the availability of inclusive and flexible education opportunities has enabled women from various socio-economic backgrounds to move forward. Many women learners, who have been juggling family and work responsibilities, have been able to move ahead in their lives through the collective support and motivation they receive. The creation of opportunities through digital learning, capacity building, and leadership development leads to the propagation of these opportunities by women in their families and social environments.

Reciprocity builds social capital. When institutions, decision-makers, and societies work towards the empowerment of women, they create a culture of innovation, integrity in leadership, and social equality. Every gesture of mentoring, every opportunity created, and every hurdle removed brings women not just into the fold but into leadership positions.

While reflecting on the importance of reciprocity, it is important to re-emphasize a collective commitment to creating an enabling environment where women support women, institutions support women, and society as a whole understands that the empowerment of women is not just a gesture of goodwill but a viable option for sustainable development.



### Ms. Sonal Garg

**DGM - Human Resources, Hinduja Group, Mumbai**

International Women's Day is an occasion to celebrate the progress women have made, a reminder of our responsibility to accelerate it, and an opportunity to dream about our future together. Women today are forging ahead in every field of their choice, reshaping the narrative of leadership in boardrooms, laboratories, newsrooms, sports arenas and even space – you name it!

In the corporate world – women are driving sustainable and responsible growth, championing ethics and governance while building purpose-driven institutions. In sports, they inspire strength, discipline and competitive spirit. In arts, they challenge boundaries and redefine stereotypes.

As we stand on the shoulders of generations of women who strived before us, we have many success stories to inspire us. Yet there is a pressing need for systemic changes to enable more women to achieve their dreams – from equal opportunities in education and workplace, to robust support systems ranging from child care to elder care, inclusive policies and much more. Mentorship programs can open a great many doors for generations that follow. What we need today, is an inclusive and supportive environment in all spheres of life – from home and schools to health institutions and workplaces – where Women can grow and thrive. Let us pledge to continue this journey and extend a hand to lift one another higher.

When women lead, societies grow stronger, people become more compassionate, and the future becomes brighter.

Wishing everyone a very Happy International Women's Day!



### Dr. Anjali Desai

**Head HR & Admin, Fourth Partner Energy**

*From Rights to Results: Making Women's Leadership Business as Usual*

When I began my career over three decades ago, I walked into a boardroom where I was the only woman present and was politely asked if I was there to take notes. I smiled, took my seat, and presented the workforce plan instead. That moment stayed with me—not because it was unusual, but because it was familiar to many women.

The theme **“Rights. Justice. Action. For ALL Women and Girls”** resonates deeply with me because leadership is not just about finding a seat at the table; it is about ensuring the table is fair, accessible, and strong enough to support everyone. Rights must be non-negotiable—safe workplaces, equal pay, dignity, and voice. Justice must be systemic embedded in governance frameworks, transparent processes, and unbiased decision-making. Action is where credibility lies—when policies move beyond presentations and become everyday practice.

Over the years, I have seen that women do not lack ambition or competence. What they often lack is sponsorship at critical moments, flexibility during life transitions, and leaders willing to question longstanding norms. As Maya Angelou wisely said, *“Do the best you can until you know better. Then when you know better, do better.”*

Real change happens when intent is followed by persistence. Glass ceilings rarely shatter on their own—they need consistent tapping, sometimes with a policy handbook. As governance professionals and leaders, translating values into institutions makes women's leadership business as usual.



### Dr. Minu Madlani

**Director, KPB Hinduja College of Commerce, Mumbai**

There is every reason for good cheer on the future of “Empowerment of women” as the digital age advances. While the earlier waves of automation, by mechanizing mainly ‘simple tasks’ and ‘repeatable tasks’, had potential to put at risks more jobs done by women rather than men. The future autonomous waves could substitute physical labour and manual dexterity, and problem solving in dynamic real-world situations that require responsive actions, such as in transport and construction. Gender neutrality may be significantly enhanced through (i) increased access to higher education, (ii) increased employability through skills that are gender neutral, (iii) awareness and access to job opportunities, (iv) awareness of rights and entitlements of law.

Altogether role of *Time* and *Distance* shall become less important in organizing activities, *inter alia* because (i) unprecedented convergence of new technologies eliminates isolation and facilitates voice, (ii) social media ventilates women's issues not covered by mainstream media.

This will translate into important change in workplace culture lending flexibility to work beyond office. Nearly 75% of new generation think “work from home” or “work remotely” policy is progressive, and this could be beneficial especially for women with small children reaffirming their ancient status as universal mother Goddess and “*Creatrix*” – sustaining the species.

So reversing the inequality and subordination which commenced with division of labour on farms and early industrial revolution, where physical nature of work and working conditions made most outdoor jobs male dominated, in the coming age digital overlay through computing may make these further accessible to both genders. Emancipation shall overcome patrilineal systems, & Hammurabis Code, and empowerment of women will proceed apace with a re-evaluation of their role and upskilling.



### Dr. Aparna Rao

**Associate Professor, School of Technology Management & Engineering, NMIMS and Regional Convener (West), GUESSS India**

A couple of years ago, during a women's empowerment initiative in a tribal region, I witnessed a striking contrast. In a remote village, not far from Mumbai, these women-led self-help groups demonstrate resilience, capability, and a will to learn new skills. This young widow in her early twenties, with 3 kids and aging in-laws, bravely battling hunger with small jobs and yet, dreaming of education and access for her children - her aspirations are bold—she wants education for her kids, and seeks dignity of a sustainable livelihood. For her and her peers, the ecosystem around them remains fragile with limited infrastructure, restricted access to opportunity, and minimal institutional support. I was also told that this is a matriarchal society; yet, in my interactions, I observed that the phones, mobility, spending power, and decision-making remained largely with the men. This experience revealed a truth we must confront – talent and aspiration are universal; access and opportunity are not. This year theme **‘Rights. Justice. Action. For ALL Women and Girls’** – is a much-needed call for responsible action by all of us who operate from positions of privilege and influence. International Women's Day must therefore compel us to design systems that are intentional about access—access to finance, markets, education, networks, and decision-making spaces.



Institute of Governance Professionals of India  
(An ICSI initiative for nurturing governance and sustainability)



Supported by  
**THE INSTITUTE OF  
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*Vision*

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

*Motto*

सत्यं वद | धर्मं चर | इत्येवमैतद् वाक्यं प्रामाण्यं निश्चिन्तयन्विवेकम्

*Mission*

"To develop high calibre professionals facilitating good corporate governance"

**REGISTRATIONS OPEN**

**02  
TO  
05**  
**APRIL  
2026**



# ICSI BOARD MENTORSHIP PROGRAMME

**SHILLONG,  
MEGHALAYA**

Registration Link: <https://stimulate.icsi.edu/RO/Home/delegateportal/3474>

For any query/ clarification, please contact

Tel: 011 – 4534 1034 | E-mail: [mrinal.madhur@icsi.edu](mailto:mrinal.madhur@icsi.edu)

**CS Pawan G. Chandak**  
President, The ICSI  
& Director, IGPI

**CS Dwarakanath Chennur**  
Vice President, The ICSI  
& Director, IGPI

**CS Rajesh Tarpara**  
Programme Director  
& Council Member, The ICSI

**CS Asish Mohan**  
Secretary, The ICSI  
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# 1

## GLOBAL CONNECT



- 
- ICSI hosts CSIA's Strategic Planning & Council Meeting and CSIA Global Governance Awards in Mumbai on February 26-27, 2026
- 
- International Regulatory Update
- 
- Article - Business Restructuring: A Global Perspective
-

# ICSI hosts CSIA's Strategic Planning & Council Meeting and CSIA Global Governance Awards in Mumbai on February 26-27, 2026

## CSIA Strategic Planning Meeting



## CSIA Council Meeting



# CSIA GLOBAL GOVERNANCE AWARDS

## Panel Discussion on ESG and Ethics



**CS Ranjeet Pandey**  
Former President  
The ICSI, India

**Mr. Simon Yeoh**  
Past President  
MAICSA, Malaysia

**Mr. Hossain Sadat**  
President  
ICSB, Bangladesh

## Panel Discussion on AI and Technology



**CS Devendra V. Deshpande**  
Former President,  
The ICSI, India

**CS Ashish Lakhtakia**  
General Counsel  
GCICL, India

**Mr. Simon Yeoh**  
Past President  
MAICSA, Malaysia

Presentation of Awards



**Global Corporate Secretary of the Year  
Elsabé Kirsten (South Africa)**



**Governance Professional of the Year  
Kenneth Mutuma (Kenya)**



**Rising Corporate Secretary of the Year  
Charmaine Manzini (South Africa)**



**Excellence in Governance (Listed and Unlisted  
Companies) - Nedbank (South Africa)**



**Excellence in Governance - ESG  
Duopharma (Malaysia)**

Group Photo



# International Regulatory Update

## Hong Kong Taxonomy for Sustainable Finance: Phase 2A

### Release and Overview

The Hong Kong Monetary Authority published Phase 2A of the **Hong Kong Taxonomy for Sustainable Finance** on 22 January 2026.

While **Phase 1** (May 2024) covered 12 activities in four sectors, **Phase 2A** incorporates stakeholder feedback from the September 2025 consultation on the prototype and expands the taxonomy from 12 to 24 eligible activities. Beside legacy sectors like energy and transport, it expands it to Manufacturing and Information & Communications Technology.

### Key Updates

- ◆ **Climate Mitigation Classification** Activities are now categorised as **Green** (already net-zero or 1.5°C-aligned), **Transition** (high-carbon activities with credible, time-bound pathways to net-zero by 2050), or **Exclusion** (non-compliant or low materiality).
- ◆ **New Objective** Climate change adaptation is added as an environmental objective, with initial focus on water-related measures relevant to Hong Kong and the region.
- ◆ **Expanded Scope** Coverage now includes six sectors with 25 economic activities (more than double the original 12). New entries cover electricity and low-carbon gas transmission/distribution, storage, district heating/cooling, low-carbon transport infrastructure, data processing, GHG-reduction data solutions, and specific manufacturing processes (e.g., hydrogen production, aluminium refining).

### Updated Classification System

Activities land in one of three groups:

- ◆ Green, for those already carbon-neutral;
- ◆ Transition, for high-impact activities that are committed to net-zero by 2050 under strict, dated criteria; and
- ◆ Exclusion, for anything that doesn't qualify. Climate adaptation joins mitigation as an objective—water infrastructure leads the list, a pragmatic start.

### Sectoral Additions

Key new inclusions are electricity storage, district heating/cooling, hydrogen production, low-emission data centres, aluminium refining/smelt, and data-driven GHG reduction solutions. Existing sectors (Energy, Transportation, Construction, and Waste) have also been refined and deepened to enhance precision and alignment with decarbonisation goals—without introducing unnecessary complexity.

### Assessment and Future Path

Although transition categories may unsettle some purists, the framework provides regulators with concrete and auditable metrics.

The full Phase 2A Taxonomy and consultation conclusions are available on the HKMA's Banking Regulatory Document Repository.

This release further positions Hong Kong as a leading hub for credible sustainable finance in a climate-focused global market.

#### Source:

Official HKMA Press Release (dated 22 January 2026): "HKMA publishes Hong Kong Taxonomy for Sustainable Finance Phase 2A"

Link: <https://www.hkma.gov.hk/eng/news-and-media/press-releases/2026/01/20260122-3>

# Business Restructuring: A Global Perspective

The 2026 global economic landscape has catalyzed a fundamental shift in business realignment, moving from reactive insolvency measures to proactive, technology-driven metamorphosis. This article explores the convergence of structural debt crises, geopolitical fragmentation, and the AI reckoning as primary drivers of modern corporate turnarounds. By analyzing evolving legal regimes such as the UK's Part 26A and India's IBC reforms alongside the rise of private credit and aggressive liability management, this study identifies a new paradigm where financial engineering is secondary to operational resilience. The article concludes with a strategic outlook for 2027, emphasizing that sustainable success now requires a mindset of continuous, agile reconfiguration rather than periodic crisis intervention. The new paradigm of business restructuring, 2026, has shifted the landscape of re-alignment, from the reactive crisis management of the previous years to a model of proactive, technology integrated transformation. A combination of restrictive monetary policies, weaponized trade with protectionist tariffs, and the disruptive integration of agentic artificial intelligence into core business functions marks the new paradigm, and the prevailing sentiment in transatlantic markets is one of cautious optimism tempered by structural weaknesses in cyclical sectors such as commercial real estate, healthcare, and automotive manufacturing that are still grappling with higher input costs and fragile labour markets.



**CS Sheetal Patodiya, ACS**

Practicing Company Secretary  
New Delhi  
[patodiya.heetal@gmail.com](mailto:patodiya.heetal@gmail.com)

## INTRODUCTION

**B**usiness Restructuring is the strategic process of significantly altering a company's capital structure, operational model, or asset portfolio to eliminate financial distress and enhance enterprise value. Far from being a mere precursor to liquidation, modern restructuring is a transformative mechanism designed to realign a business with shifting market realities.

The concept rests on two primary pillars:

1. **Financial Restructuring:** This involves the rehabilitation of the balance sheet. It includes renegotiating debt terms with creditors, converting debt to equity, or securing "rescue financing" to navigate a "maturity wall" (upcoming debt deadlines).
2. **Operational Restructuring:** This addresses the "under the hood" issues. It involves streamlining workforces, divesting non-core assets (carve-outs), and integrating disruptive technologies like AI to restore core profitability.

In 2026, the concept has evolved into "Strategic Metamorphosis." It is no longer about just surviving a liquidity crunch; it is about a total structural reset to survive a world defined by high-cost capital and fragmented global trade.

## THE IMPACT OF PERSISTENT INFLATION AND INTEREST RATE VOLATILITY

Although some G7 countries have implemented modest rate easing, financing costs remain substantially higher than in the pre-pandemic decade, creating a "maturity wall" for speculative-grade debt that is expected to peak between 2026 and 2028. This persistent cost of capital has rendered many businesses with high leverage and thin margins unsustainable, forcing them into comprehensive structural overhauls that prioritize profitability over mere survival.

The global financial order has transitioned from a state of homogeneity to one of fragmentation, where capital markets are increasingly influenced by regional political priorities. This fragmentation manifests in differentiated term premiums and heightened currency volatility, which significantly complicate the treasury management of multinational corporations. Restructuring strategies must now account for localized inflation patterns and the divergence in consumer spending across various income categories. While high-income households continue to sustain discretionary spending, middle and lower income consumers are showing signs of severe strain due to elevated prices and rising delinquencies, particularly in the retail and consumer-oriented sectors.

Despite a cooling from the 2024 peak, inflation remains a persistent risk, particularly within the services and labour markets. For businesses in capital-intensive sectors like chemicals and heavy manufacturing, high energy costs and production overcapacities have led to record levels

of insolvency in markets like France and Germany. The inability to pass these costs through to price-sensitive consumers has compressed margins, triggering a wave of “site closures” and capacity adjustments that are more indicative of long-term strategic downsizing than temporary cost-cutting.

A unique feature of the current economic cycle is the explosive growth of capital expenditure (CAPEX) in artificial intelligence infrastructure. In the United States, the AI CAPEX cycle has exceeded the levels seen during the telecommunications bubble of the late 1990s. While this investment supports long-term productivity gains, it also creates significant competition for capital in the short term. The multitrillion-dollar investment required for AI infrastructure could place upward pressure on the cost of capital over time, potentially crowding out financing for traditional industrial and infrastructure projects. Restructuring experts are closely monitoring this trend for signs of an “AI bubble” that could lead to a systemic correction if measurable returns on investment fail to materialize quickly.

### GEOPOLITICAL FRAGMENTATION AND THE REALIGNMENT OF GLOBAL SUPPLY CHAINS

In 2026, the global operating environment is characterized by the erosion of longstanding trade norms and the rise of “strategic autonomy”. Protectionist policies, particularly from the United States, have triggered a reorganization of global production networks where resilience and geopolitical alignment are prioritized over cost efficiency. This “weaponization of trade” has direct implications for corporate restructuring, as firms are forced to divest from high-risk jurisdictions and relocate production closer to key markets to avoid the impacts of tariffs and sanctions.

Tariffs have become a permanent fixture of the global trade landscape, significantly increasing input costs for manufacturing and agriculture. The average applied tariff on global manufacturing trade rose from 1.9% in 2024 to 4.7% in 2025, a trend that is expected to stabilize at these higher levels throughout 2026. These measures have disrupted established supply chains and burdened consumer-oriented companies that rely on global sourcing. Retailers, for example, typically purchase their goods six to nine months in advance, meaning the full impact of tariff increases is often felt with a significant lag, which complicates financial planning and liquidity management during restructuring.

Bilateral Trade Flow Trends	2018-2024 Growth Rate	2024-2025 Growth Rate
US → Vietnam	10.7% <sup>5</sup>	18.3% <sup>5</sup>
China → Mexico	8.1% <sup>5</sup>	-11.0% <sup>5</sup>
US → China	-1.8% <sup>5</sup>	-14.2% <sup>5</sup>
EU → US	2.4% <sup>5</sup>	6.2% <sup>5</sup>
EU → UK	-4.1% <sup>5</sup>	-1.6% <sup>5</sup>

The geopolitical climate has transformed divestitures from reactive disposals of underperforming assets into strategy-led portfolio moves. Organizations are increasingly divesting to sharpen their strategic focus and redeploy capital toward “high-growth” markets that offer greater political stability. Large-cap separations, particularly those exceeding \$10 billion in value, have become a primary mechanism for enterprise-wide transformation. By 2026, the primary motivations for these moves have shifted toward operating model efficiency and the elimination of “stranded costs” associated with complex, multi-jurisdictional legal entities.

As the US and China continue to decouple, other nations are forming alternative trade blocs to mitigate the impact of unilateral tariffs and sanctions. “Middle powers” in Asia and the Middle East are modernizing their legal and regulatory frameworks to attract foreign investment and position themselves as alternative manufacturing hubs. This regionalization is fostering new innovation centers but also creating a more complex compliance environment for multinational firms, which must now navigate a patchwork of conflicting trade rules and security-driven restrictions.

### TECHNOLOGICAL TRANSFORMATION AND THE AI-DRIVEN OPERATIONAL SHIFT

The year 2026 marks a “reckoning” for artificial intelligence, moving from a period of speculative experimentation to one of pragmatic implementation and rigorous assessment of its return on investment. In the context of business restructuring, AI serves as both a primary driver of operational obsolescence and a tool for advanced financial recovery. The integration of agentic AI systems has begun to rewire corporate hierarchies, streamlining workflows while simultaneously introducing new risks related to data governance, bias, and transparency.

The deployment of AI agents is fundamentally altering the global workforce and the delivery of professional services. Many roles involving repetitive tasks are being automated, leading to “mass layoffs” in sectors like telecommunications, logistics, and traditional financial services. Conversely, new roles requiring complex problem-solving, emotional intelligence, and creativity are emerging, widening the income gap and necessitating significant investments in upskilling. Companies are now allocating between 3% and 7% of their annual revenue to technology investments, with a specific focus on projects that offer clear payback periods within 12 to 18 months. This shift is not merely cyclical but represents a structural reset in business models across various industries.

Restructuring professionals are increasingly leveraging AI for “bubble-aware” risk management and financial distress prediction. Advanced analytics platforms allow for real-time scenario modeling, identifying potential covenant stress and liquidity shortfalls months before they manifest on a balance sheet. These tools enable more proactive capital structure optimization, moving away from short-term fixes toward long-term operational sustainability.

Enterprise AI Solutions for Finance	Primary Strategic Function	Target User Group
Datarails FP&A Genius	Automated Forecasting & Scenario Modeling	Midmarket FP&A Teams
FinanceGPT	Balance Sheet Analysis & Cash Flow Planning	Corporate Analysts
IBM Watsonx	Risk Detection & Regulatory Compliance	Large Enterprise Finance Teams
BlackLine	Automated Financial Close & Reconciliation	Global Controllership Functions
AlphaSense	Market Intelligence & M&A Due Diligence	Strategic Development Teams

creditors navigate complex questions of recognition, enforcement, and procedural fairness.

The United Kingdom’s Part 26A Restructuring Plan has become a favored tool for international corporate groups, largely because it lacks the rigid “numerosity test” found in US Chapter 11 and traditional UK Schemes of Arrangement. This allows companies to target specific classes of creditors, such as secured financial lenders, without necessarily affecting trade creditors or requiring broad public disclosures. Similarly, Germany’s StaRUG and the Dutch WHOA provide preventive, out-of-court reorganization frameworks that successfully minimize the reputational stigma and operational disruption associated with a public insolvency filing.

In the United States, Chapter 15 of the Bankruptcy Code has evolved from a tool for ancillary relief into an affirmative mechanism for achieving global restructuring outcomes. A critical development in this area is the use of Chapter 15 to enforce non-consensual third-party releases,

despite the Supreme Court’s ruling in *Purdue Pharma* which restricted such releases in domestic Chapter 11 cases. Decisions in high-profile cases like *Odebrecht* and *Crédito Real* have upheld foreign releases, suggesting that Chapter 15 provides courts with broader discretion than previously understood under domestic bankruptcy law.

The legal landscape for global restructuring in 2026 is characterized by "judicial activism" and the emergence of sophisticated, multi-jurisdictional tools.

The infrastructure requirements for the rapid expansion of AI are placing unprecedented strain on global energy and utility systems. Data centers demand massive volumes of electricity and water for cooling, driving up utility prices and creating significant hurdles for corporate net-zero plans. This has triggered a wave of M&A and restructuring in the energy sector, where “scale, speed, and resilience” are the new defining metrics for success. Assets with secured access to power and grid interconnectivity are commanding significant premiums, while commodity producers facing high energy costs are increasingly forced into “restructuring plays” to remain competitive.

### EVOLUTION OF INTERNATIONAL LEGAL FRAMEWORKS AND INSOLVENCY REGIMES

The legal landscape for global restructuring in 2026 is characterized by “judicial activism” and the emergence of sophisticated, multi-jurisdictional tools. The historical dominance of the US Chapter 11 process is being actively challenged by flexible alternatives in Europe and Asia, leading to a competitive marketplace where debtors and

India’s insolvency framework has matured significantly over its first decade, and it is now positioning itself as a potential “reference model” for other emerging economies. The proposed 2025/2026 Amendment Bill introduces several “second-generation” reforms designed to expedite the case admission process and codify the treatment of group insolvency. A major shift in the Indian regime is the introduction of a “Creditor Initiated Insolvency Resolution Process” (CIIRP), a hybrid framework that allows creditors to initiate restructuring out-of-court while maintaining the debtor’s possession of the business under the supervision of a resolution professional. This move aligns India more closely with global “Debtor-in-Possession” models, although it continues to emphasize its core “Creditor-in-Control” philosophy for formal court-supervised proceedings.

Comparative Analysis of Restructuring Regimes	US Chapter 11	UK Restructuring Plan	India IBC (Post-Reform)
Operational Control	Debtor-in-Possession	Debtor-in-Possession	Hybrid (CIIRP) / Creditor-in-Control
Cross-Class Cram-down	Permitted	Permitted (Cross-class)	Permitted via CoC Approval
Statutory Moratorium	Automatic on Filing	Not Statutory; Case-by-case	Mandatory on Admission
Primary Voting Threshold	67% (Numerosity & Value)	75% (Value Only)	66% (Value Only)

The “Rule in Gibbs”—a long-standing principle of English law stating that a debt governed by English law cannot be discharged by a foreign insolvency proceeding—continues to present a structural hurdle for international restructurings. However, corporations have developed sophisticated workarounds, such as amending the governing law of their debt instruments to English law or shifting their “Center of Main Interests” (COMI) to the United Kingdom specifically to access its advanced restructuring tools. Case studies like *Mega Newco* and *Fossil Group* demonstrate how US-based companies are successfully utilizing UK restructuring plans as a “backstop” to consensual liability management exercises to ensure deal certainty.

## THE ROLE OF PRIVATE CREDIT AND AGGRESSIVE LIABILITY MANAGEMENT

The restructuring landscape of 2026 is increasingly shaped by an intense rivalry between debtors and creditors, fueled by the aggressive tactics of private equity sponsors and the widespread use of “cov-lite” financing documentation. Private credit funds have rapidly filled the liquidity vacuum left by traditional banks, offering highly flexible rescue financing but also engaging in complex “intercreditor warfare” to protect their positions.

Liability Management Exercises (LMEs), such as “uptiering” and “priming” transactions, have become the standard mechanism for companies seeking to extend their maturity runways without entering formal bankruptcy. These transactions allow companies to capture a significant discount on their existing debt or secure essential new liquidity by providing preferential status to a subset of existing lenders. While LMEs can provide the critical “breathing room” necessary for an operational turnaround, they often trigger protracted litigation when excluded creditors challenge the good faith and fairness of the transaction.

To resist these aggressive LME tactics, groups of creditors have increasingly formed “cooperation agreements” to act as a unified defensive front. However, 2026 has witnessed a significant rise in “deal-away” activities, where companies bypass these blocks to transact with outside investors or a select group of dissenting lenders who are willing to break the pact. This has ushered in a new phase of restructuring litigation focused on the validity of the cooperation agreements themselves and the extent of the “good faith” obligations that debtors owe to their lender base.

In this environment, institutional investors are reassessing the risk-adjusted returns of private credit versus traditional distressed debt. While distressed debt offers the potential for high internal rates of return (often in the low teens or better), it involves substantial legal, restructuring, and timing risks. Private credit, by contrast, offers “depth and continuity” in financing, with total assets under management projected to reach \$5 trillion by 2029. In 2026, private credit providers are increasingly acting as “partners” in the turnaround process, acquiring distressed loan portfolios from banks and providing the structured capital necessary for large-scale corporate reorganizations.

## ESG INTEGRATION AS A STRATEGIC TURNAROUND MECHANISM

Sustainability has evolved from a secondary reporting requirement into a core strategic imperative for corporate turnarounds in 2026. The financial implications of ESG performance are now quantifiable; higher-rated companies typically benefit from significantly lower financing costs compared to their lower-rated peers, often by more than 100 basis points. This disparity is driven by the enhanced resilience of high-ESG firms to sustainability-related risks, which improves their overall risk profile in both equity and debt markets.

Modern restructuring plans now routinely integrate sustainability data to justify long-term value preservation and creation. CFOs and investors are increasingly demanding “measurable impact” and a clear return on investment before committing to any large-scale sustainability initiatives. This has forced sustainability leaders to collaborate closely with finance departments to link green projects directly to operational efficiency, cost savings—such as reduced energy and water consumption—and revenue growth from “circular” or “ecodesigned” product lines.

The ESG landscape in 2026 is marked by significant regulatory divergence between major jurisdictions. While the European Union continues to embed worker protection and climate transition duties into its regulatory framework through the CSRD and CSDDD, the United States has experienced a notable “anti-ESG” movement that has slowed the pace of new regulatory filings but triggered a resurgence in strategic litigation from NGOs. Companies operating across these borders face the immense challenge of reconciling conflicting legal and cultural expectations, leading to a “fragmented and dynamic” regulatory environment for global employers.

Environmental and resource pressures are driving a “structural reset” in sectors like chemicals, packaging, and heavy manufacturing, where circularity principles are becoming essential for long-term survival. Disclosures related to “water scarcity” have surged as investors and lenders recognize the strategic risk this poses to data centers and low-carbon technologies. Companies that successfully transition from a “water neutral” to a “water positive” approach are finding it much easier to maintain their “local license to operate” and attract the long-term capital necessary for structural restructuring.

## WORKFORCE RESTRUCTURING AND THE COMPLEXITY OF GLOBAL LABOUR LAWS

The human capital transformation of 2026 is driven by “sweeping labour reforms” and the rapid adoption of AI governance frameworks. For multinational corporations, the viability of uniform “one-size-fits-all” global workforce strategies has severely weakened, as individual nations take increasingly divergent approaches to workplace regulation and social protection.

The United Kingdom’s Employment Rights Act and India’s consolidation of its national labour codes represent the most significant overhauls of employment rights in a generation for their respective markets. These reforms strengthen worker protections and raise compliance expectations, which significantly impacts workforce management and the cost structures of companies undergoing restructuring. In the European Union, new pay transparency obligations and strict controls on “high-risk” AI systems in HR are forcing companies to collate rigorous evidence upfront to justify their dismissal, promotion, and compensation decisions.

Geopolitics is increasingly dictating how multinational employers respond to labour regulation. Trade tensions

and industrial policies have led to a “localisation” of employment law around national economic objectives. In the Middle East and parts of the APAC region, workforce regulation is being modernized to support foreign investment and high-skill talent mobility, while in Latin America and parts of Africa, the focus remains on social protection objectives and the tightening of enforcement through compliance checks and inspections.

Global Labour Law Reform Landscape	Primary Regulatory Focus	Key Legislative Measure
United Kingdom	Enhanced worker rights & enforcement	Employment Rights Act, 2025
European Union	Pay transparency & AI safety	EU AI Act & Pay Transparency Directive
United States	State-level oversight & bias testing	Fragmented State-Level AI Laws
India	Consolidation of industrial labour rules	Four New National Labour Codes
Japan	Overhaul of archaic standards	Labour Standards Act Modernization

With the uptick in layoffs driven by the AI transition and general economic volatility, companies are facing “heightened regulatory risk” when implementing global reductions in force (RIF). The typical timescales and associated costs for RIFs have increased due to these legislative changes, making “jurisdictional complexity” a major hurdle for HR and legal teams during restructuring. Successful workforce restructuring now requires a rigorous “pressure-testing” of business justifications and a deep understanding of local requirements for collective consultation, severance, and job security.

## CASE STUDY: GLOBAL AUTOMOTIVE COMPONENTS MANUFACTURER

To understand these concepts in action, the article captures, a recent multi-jurisdictional restructuring of a Global Automotive Components Manufacturer. The firm faced a €3.2 billion maturity wall in late 2025. Rising energy costs in Germany and the rapid shift to Electric Vehicle (EV) components rendered their legacy internal combustion engine (ICE) production sites insolvent.

- Jurisdictional Arbitrage:** The company shifted its Center of Main Interests (COMI) to the United Kingdom to utilize the Part 26A Restructuring Plan. This allowed them to “cram down” dissenting junior lenders who were blocking a debt-for-equity swap.
- Operational Pivot:** Using Agentic AI, the firm automated 40% of its back-office procurement and used predictive modeling to shutter five underperforming sites in high-energy-cost regions.
- ESG-Linked Financing:** They secured €500 million in “Green Transition” private credit, which carried a coupon

150 basis points lower than traditional debt, contingent on meeting specific water-neutrality and carbon-reduction targets.

By February 2026, the firm emerged with a 60% reduction in total debt and a streamlined operational model focused entirely on EV components and AI-managed logistics.

## SECTORAL VULNERABILITIES AND OPPORTUNITIES IN 2026

The impact of the current economic and technological shifts is remarkably uneven across different industry sectors. While energy and technology remain the primary anchors of global growth, they have also become the focal points for some of the most intense restructuring activity.

In the energy and utilities sector, the convergence of technological disruption and energy resilience is the defining theme. Power and utilities M&A is accelerating as structurally higher demand from AI data centers drives investment in “all of the above” energy mixes, including renewables, LNG, and nuclear power. However, commodity producers and midstream firms are facing severe cost pressures and oversupply in some markets, requiring “portfolio simplification” and restructuring plays to remain viable. Assets with secured access to power and grid interconnectivity are commanding significant premiums, reflecting a shift in how infrastructure is valued.

The retail and consumer products sector remains under intense pressure from softening demand and high input costs. While high-income consumers continue to support luxury and high-end niche markets, middle-market retailers are struggling with value-conscious consumers and rising credit delinquencies. Restructuring in this sector often involves the “carve-out” of non-core brands and a rapid shift toward resale markets, digital-first business models, and operational efficiency through AI-driven inventory management.

The industrial and automotive sectors are undergoing a “delayed but persistent” adaptational shift to entirely new business models. In Germany, large-scale employee restructuring and site closures are taking place as firms move toward radical operational efficiency to combat high energy prices and the complex transition to electric vehicles. AI-driven industrial deals are now primarily focused on the physical infrastructure that enables the transmission, distribution, and efficient handling of energy.

Within healthcare and the TMT sector, structural weaknesses and cash flow volatility have led to a pronounced uptick in restructuring activity. These sectors exhibit high leverage and significant covenant pressure, prompting issuers and sponsors to adopt “proactive, AI-informed planning” for their liability management and operational turnarounds. The complexity of medical technology and the rapid pace of digital transformation mean that only those firms with the most agile capital structures can survive these shifts.

## SYNTHESIS OF GLOBAL TRENDS AND STRATEGIC CONCLUSIONS

The global business restructuring environment of 2026 is a complex tapestry woven from geopolitical risk, technological disruption, and rapidly evolving legal and financial



standards. The transition from a “consensual” restructuring model toward one characterized by “multi-front conflict” and “intercreditor implemented restructurings” requires a new level of strategic sophistication from corporate leaders and their professional advisors.

The primary lesson of the current cycle is that financial engineering alone—the “kicking of the can”—is no longer a sufficient remedy for deep-seated structural distress. Without addressing the underlying operational issues such as inefficient labor structures, obsolete technology, and fragmented supply chains, balance sheet adjustments only serve to delay a more disruptive and costly collapse in the future. Companies must leverage advanced AI tools for predictive risk modeling and proactively optimize their capital structures years before maturity walls become insurmountable.

Furthermore, the “forum shopping” trend in international insolvency indicates that the traditional boundaries of domestic law are becoming increasingly permeable for sophisticated actors. The ability of US companies to use the UK Restructuring Plan to circumvent domestic rulings on third-party releases represents a watershed moment in the history of jurisdictional competition. As India matures its IBC and the European Union moves to harmonize its insolvency directives, the restructuring professional must now act as a “geostrategic architect,” capable of navigating a world where the Center of Main Interests is as much a strategic choice as an operational reality.

The organizations that will thrive in this environment are those that view restructuring not as a sign of failure, but as a “transformative opportunity” to radically align their enterprise with the new geopolitical and technological realities

of 2026. Strategic agility, data-driven decision-making, and a proactive approach to stakeholder management have become the essential prerequisites for sustainable corporate success in this volatile era.

## CONCLUSION

The defining lesson of 2026 is that financial engineering alone is a dead end. Simply “kicking the can” by extending debt maturities does not fix an obsolete business model. The organizations that will thrive are those that view restructuring as a transformative opportunity. Strategic agility, data-driven forensics, and a proactive approach to stakeholder management are no longer optional—they are the essential prerequisites for corporate survival in this volatile era.

Looking toward 2027, several emerging themes are likely to continue redefining the global restructuring landscape. The “AI Energy Nexus” will likely deepen as a primary driver of infrastructure investment and sector-specific distress. We can also expect to see the first major “test cases” for India’s new cross-border insolvency framework, which will provide critical insights into the viability of Model Law adoption in large emerging markets. In the legal sphere, the resolution of ongoing appeals regarding Chapter 15 and the *Purdue* ruling will determine whether the United States remains a hospitable venue for foreign-led restructurings that utilize broad third-party releases.

In the capital markets, the continued growth of private credit will likely lead to even more innovative—and potentially more contentious—financing structures. As the “maturity wall” of 2028 approaches, the volume of restructurings is expected to increase, but the quality of these resolutions will depend heavily on the degree of alignment between debtors,

creditors, and government regulators. Those firms that have invested in “bubble-aware” risk management and robust ESG frameworks will be best positioned to navigate the challenges of the coming years. Ultimately, business restructuring has become a permanent feature of the global corporate strategy, requiring a shift in mindset from periodic crisis intervention to continuous, agile reconfiguration.

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## Call For Articles in CS Journal – April 2026 Issue



### IBC: 10 Years of Reform, Learning & Transformation

The Insolvency and Bankruptcy Code, 2016, has undoubtedly been one of the most transformative economic reforms in Indian corporate history. Where initial focus had always been on incorporation and governance of new and existing entities - the insolvency landscape was fragmented across multiple laws and forums, often resulting in prolonged delays and erosion of asset value.

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As the year 2026 marks the completion of a decade, looking back, the journey of the Code has been dynamic, marked by continuous evolution through judicial interpretations, regulatory refinements, and significantly reshaped the country's credit ecosystem.

In view of the same, we are pleased to inform you that the April 2026 issue of Chartered Secretary Journal will be devoted to the following sub-themes:

- ❖ IBC at a Decade: Achievements, Shortcomings and Reform Agenda
- ❖ Role of Company Secretaries in Insolvency Ecosystem
- ❖ IBC and Government Dues: Priority, Treatment and Judicial Evolution
- ❖ Future of Insolvency Practice: Technology, ESG and New-Age Businesses
- ❖ Cross-Border and Group Insolvency: India's Preparedness
- ❖ Resolution Plans: Design, Approval and Implementation Challenges

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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.
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## Articles Part - I

**54 Business Restructuring and Finding The Right Valuation****CS R. S. Gowdhaman**

The article discusses the interrelationship between Business Restructuring and Valuation and elaborates on Valuation approaches in Restructuring. In the context of understanding the roadblocks in restructuring valuation, the article suggests a strategic framework for advising on valuation. The regulatory and risk environment, tax restructuring, its impact on valuation, accounting impact, and post-restructuring valuation. The mapping of Risk and Valuation presented in the article gives a clear understanding of the risks associated with Valuation.

**60 Corporate Restructuring: Key Post-Implementation Compliance Framework****CS Kiran Mukadam**

The article explores the various rules and regulations that influence Corporate Restructuring at different stages of its execution and outlines the essential Post-Implementation Compliance Framework. The Company Secretary plays a crucial role in the post-implementation stage of a Corporate Restructuring plan, ensuring that all legal, regulatory, and procedural requirements sanctioned by the National Company Law Tribunal (NCLT) and the terms of the scheme are thoroughly carried out. Primarily, the Company Secretary is accountable for share allotment and corporate actions, maintaining updated statutory registers and records, drafting and executing the necessary resolutions for both the board and shareholders, supervising secretarial compliance, handling IEPF-related matters, addressing stakeholder inquiries related to the scheme, managing tasks related to the transfer of assets and properties, and preparing a structured compliance calendar for all active statutory obligations.

**64 Finding the Right Fit: The Synergistic Side of Corporate Structuring****CS Monika**

This article examines the key structural provisions of the Companies Act, 2013 — read alongside SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, RBI's foreign exchange framework, and the Income Tax Act, 1961. The provisions on restructuring encompass the legal parameters of synergistic corporate design. The article draws on landmark NCLT decisions, Supreme Court judgments, regulatory guidance, and corporate case laws to demonstrate that structure, when properly aligned with legal architecture and business strategy, becomes an enduring source of competitive advantage.

## Articles Part - II

**70 Inclusive Governance and Gender Equality: Dharmic Foundations for Sustainable Corporate Futures****CS (Dr.) Sudheendra Putty**

Sustainability is often viewed mainly through the lens of environmental protection, but its foundation is much broader. It rests equally on social equity, ethical governance and the ability of institutions to endure over time. This article argues that gender equality, representation and inclusion are not secondary social concerns but essential conditions for long-term resilience. Drawing insights from the Mahabharata, the Shrimad Bhagavatam and the Dvaita philosophy of Acharya Madhwa, it highlights how ancient Indian thought recognized exclusion as a direct cause of systemic decline and inclusion as intrinsic to dharma. These ideas resonate strongly with contemporary corporate governance, ESG frameworks and stakeholder theory, where board diversity and inclusive leadership are increasingly associated with stronger ethical oversight, better risk management and sustainable value creation. By connecting classical philosophical wisdom with modern regulatory and governance discussions, the article positions gender inclusion not as a symbolic gesture or a compliance exercise, but as a fundamental requirement for legitimacy, stability and lasting institutional success.

**74 Gender Equality, Representation, and Inclusion: Core Elements of a Sustainable Future****CS Avani Sompura**

Building on the existing legal framework to safeguard dignity, safety and equality of women at workplace, the author dwells on the need for implementing effective recruitment, compensation and promotion policies and practices for women professionals. Protection of women rights to equality and fair treatment is not just a responsibility of the top management but should become an integrated element of the corporate culture. To address the structural gaps in women representation at the top level, the Board through its committees, must embed equity into governance systems.

## 79 Gender Diversity: Strengthening the “S” in ESG – From Compliance to Corporate Strategy

CS Sneha Srivastava

The ‘S’ in ESG stands for Social capital. This aspect is increasingly recognized as an intangible asset that affects an organization’s resilience. While environmental issues have traditionally been at the forefront of sustainability discussions, the Social (“S”) aspect is steadily being acknowledged as an equally vital factor for long-term corporate resilience. The social component focuses on how organizations handle human capital, build institutional relationships, and promote workplace equity, which in turn significantly impacts organizational culture, ethical behavior, and stakeholder confidence. The article highlights that governance professionals, especially Company Secretaries, have a crucial role in turning statutory diversity requirements into effective governance practices. Their responsibilities go beyond mere regulatory compliance to include policy development, board advisory roles, and managing ESG disclosures.

### Articles Part - III

## 85 Listing of Debt Securities in IFSC: Trends, Drivers & Market Growth

CS Pradeep Ramakrishnan, Arjun Prasad, Pawan K. Chowdhary, Rishikesh Wandhekar

In this article, the authors contend that a well-developed bond market offers an important source of alternative funding that broadens access to the investor base. In this context, the IFSC at GIFT City is emerging as a key platform for facilitating access to global capital through foreign currency bond listings. Backed by a globally benchmarked regulatory framework under the IFSCA (Listing) Regulations, 2024, along with tax efficiency and ease of doing business, the IFSC is steadily developing into a credible jurisdiction for cross-border debt listings. This article explores the regulatory architecture, market trends, and key drivers contributing to the growth of the bond ecosystem in the IFSC.

## 89 Revitalizing MSMEs: The Catalytic Role of Ramp

Dr. Jyothi G. H.

RAMP follows a reform-based financing structure built around two key areas: first, strengthening institutional systems and governance related to MSMEs at both Central and State levels; and second, improving market access, enterprise capabilities, and access to finance. Fund disbursement is linked to the achievement of specified Disbursement Linked Indicators (DLIs). These indicators are intended to support implementation of the National MSME Reform Agenda, enhance coordination between the Centre and States, strengthen Credit Guarantee mechanisms, reduce payment delays, promote environmental and gender-related measures, and expand receivables financing systems.

## Research Corner

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## 96 Corporate Restructuring in India: A Framework for Practitioners

CS (Dr.) R. Ravichandran, N. Rakesh

This qualitative research focuses on the Step-by-Step Process Framework for Mergers and Amalgamations, which integrates the laws and rules on IBC, 2016, and its recent amendments, along with provisions from the Companies Act, 2013, the SEBI rules and regulations, the Competition Act, 2002, and the best practices adopted by the practitioners. Key elements essential for a successful insolvency resolution process involve timely intervention, the expertise and capabilities of the resolution professional, effective coordination among the Committee of Creditors (CoC), maintaining operational continuity, and utilizing a competitive bidding process. The author outlines a concise framework for effective business restructuring and recommends actions for compliance professionals and company secretaries.

## Legal World

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- **LMJ 03:03:2026** It is not possible to hold that the director in refusing to respond to the notice given by the court was acting within the scope of the powers conferred on him. He is only liable for his acts and not the company. [SC]
- **LW 17:03:2026** When the CoC by a requisite vote has decided to appoint a new Resolution Professional, Appellant who is a homebuyer having 0.25% vote share cannot be allowed to question the appointment. [NCLAT]
- **LW 18:03:2026** By cancelling thousands of flights constituting a significant portion of the scheduled capacity, IndiGo effectively withheld its service from the market, creating an artificial scarcity, limiting consumer access to air travel during peak demand, which conduct by a dominant enterprise may be viewed as restricting the provision of services under Section 4(2)(b)(i) of the Act. [CCI]

- **LW 19:03:2026** On the basis of investigation and examination of the matter and considering all other material available on record, the Commission finds that OP has abused its dominant position by imposing unfair and discriminatory India Specific Warranty Policy in respect of boxed microprocessors imported into India from its authorised distributors outside India. [CCI]
- **LW 20:03:2026** In view of the above it is reiterated that the respondent availed its statutory remedy rightly before the Facilitation Council. [DEL]
- **LW 21:03:2026** The offer of appointment read with the Scheme clearly proved that he was appointed as an apprentice and not to do any skilled, unskilled, manual, technical or operational job. [DEL]
- **LW 22:03:2026** Financial issues or financial emergency cannot be a reason to force a Company Secretary to work for an incorporated Company against his will and without his consent. [KER]
- **LW 23:03:2026** The amount of pension for which the respondents have found to be eligible in terms of the trust deed, duly falls within the definition of 'wages' as per statute. [CAL]
- **LW 24:03:2026** The death subsequent to injury is essentially as a result of assault etc., and the criminal proceedings have already been initiated against the respondent. Thus, it cannot be said that the accident is caused during the course of employment. [Kant]

## From The Government P-115

- Companies Compliance Facilitation Scheme, 2026-reg.
- Notification of Amendment
- Public Notice
- Categorization and Rationalization of Mutual Fund Schemes
- Forms for registration of stock brokers and clearing members
- Capacity Planning and Real Time Performance Monitoring framework for Commodity Derivatives Segment of Market Infrastructure Institutions (MIIs)
- Obligations on CRAs while undertaking rating of financial instruments falling under the purview of any other Financial Sector Regulator
- Reporting of value of units of Alternative Investment Funds (AIFs) to Depositories
- Creation/Invocation of pledge of securities through depository system
- Calendar Spread margin benefit for Single Stock Derivatives on expiry day
- Revision of Order-to-Trade Ratio (OTR) framework
- Reporting under Foreign Exchange Management Act, 1999 – Returns pertaining to External Commercial Borrowing (ECB)
- Unique Transaction Identifier for OTC Derivative Transactions
- Foreign Exchange Management (Borrowing and Lending) (First Amendment) Regulations, 2026
- Formation of new district in the State of Haryana – Assignment of Lead Bank Responsibility
- Reserve Bank of India (Small Finance Banks – Financial Statements: Presentation and Disclosures) – Second Amendment Directions, 2026
- Reserve Bank of India (Small Finance Banks – Prudential Norms on Capital Adequacy) – Second Amendment Directions, 2026
- Reserve Bank of India (Small Finance Banks – Concentration Risk Management) – Amendment Directions, 2026
- Reserve Bank of India (Commercial Banks – Undertaking of Financial Services) – Amendment Directions, 2026
- Reserve Bank of India (Commercial Banks – Financial Statements: Presentation and Disclosures) – Third Amendment Directions, 2026
- Reserve Bank of India (Commercial Banks – Prudential Norms on Capital Adequacy) – Second Amendment Directions, 2026
- Reserve Bank of India (Non-Banking Financial Companies – Income Recognition, Asset Classification and Provisioning) – Amendment Directions, 2026
- Reserve Bank of India (Non-Banking Financial Companies – Credit Facilities) – Amendment Directions, 2026
- Reserve Bank of India (Rural Co-operative Banks – Income Recognition, Asset Classification and Provisioning) – Amendment Directions, 2026
- Strengthening of Grievance Redress Mechanism in Banks – Review
- Lending to Micro, Small & Medium Enterprises (MSME) Sector – (Amendment) Directions, 2026
- Voluntary Retention Route – Imparting predictability and increasing ease of doing business
- All Agency Banks to remain open for public on March 31, 2026 (Tuesday)



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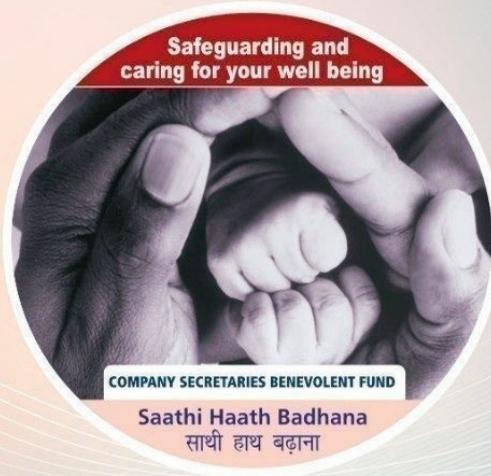
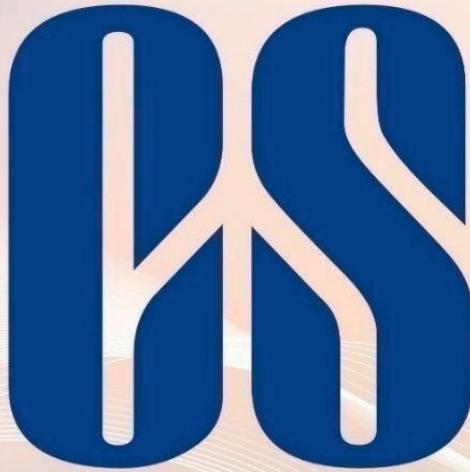
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## ARTICLES



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### Articles Part - I

- Business Restructuring and Finding The Right Valuation
- Corporate Restructuring: Key Post-Implementation Compliance Framework
- Finding the Right Fit: The Synergistic Side of Corporate Structuring

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### Articles Part - II

- Inclusive Governance and Gender Equality: Dharmic Foundations for Sustainable Corporate Futures
- Gender Equality, Representation, and Inclusion: Core Elements of a Sustainable Future
- Gender Diversity: Strengthening the “S” in ESG – From Compliance to Corporate Strategy

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### Articles Part - III

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# Business Restructuring and Finding The Right Valuation

This article throws light on valuation in business restructuring. Business restructuring is described by the author as a value re-engineering process. The fundamental objective of business restructuring is to reorganize a company's legal, operational, or financial framework in order to enhance performance, diminish risk, or release value. At the global level, valuation is an important element that aligns restructuring decisions with economic and regulatory aspects.



## CS R. S. Gowdhaman, ACS

Company Secretary  
M/s. Bhuvaneshwari Cotspin India Private Limited  
Tirupur, Coimbatore  
[gowdhamfca@yahoo.com](mailto:gowdhamfca@yahoo.com)

## INTRODUCTION

**B**usiness restructuring and valuation are closely connected. The restructuring objective (tax efficiency, fundraising, exit, insolvency, group consolidation, etc.) directly affects the valuation method and assumptions. Business restructuring is not merely a legal reorganisation exercise; it is fundamentally a value re-engineering process. At the global level, restructuring decisions are driven by capital efficiency, strategic repositioning, regulatory compliance, financial distress management, cross-border integration, and shareholder value maximisation. In every such scenario, valuation becomes the central pillar that aligns economic substance with legal form. The basic purpose of business restructuring means reorganising a company's legal, operational, or financial structure to improve performance, reduce risk, or unlock value.

Valuation in restructuring is not absolute—it is purpose-driven. The same enterprise may carry different values depending on whether the objective is merger integration, insolvency resolution, capital raising, minority buyout, or tax compliance. Therefore, understanding the interrelationship between restructuring intent and valuation methodology is essential for professionals operating in multinational environments.

Valuation serves multiple critical functions:

- Determination of share exchange ratios in mergers.
- Pricing in slump sales or business transfers.
- Fairness opinions for minority shareholders.

- Issue pricing for capital infusion.
- Computation of taxable gains.
- Determination of liquidation versus fair value in insolvency.
- Compliance with foreign investment pricing guidelines (for NRI Transactions).

Inadequate valuation may trigger litigation, tax reassessment, regulatory penalties, shareholder disputes, or cross-border compliance failures. Internationally, valuation also affects financial reporting, goodwill recognition, impairment testing, and purchase price allocation.

Under Rule 11UA and global standards (Discounted Cash Flow/Valuation Standards), three main approaches are applied:

Approach	When Used	Key Basis
Income Approach (DCF)	Growth companies, Startups	Future cash flows
Market Approach	Listed peers, Comparable deals	Market multiples
Asset Approach (NAV)	Asset-heavy companies	Net assets

However, restructuring introduces additional layers:

- Control transfer effects
- Synergy realisation
- Distress discount
- Tax shield valuation
- Regulatory constraints
- Minority protection considerations

Thus, restructuring valuation is a hybrid exercise that blends financial economics with institutional realities. Thus, valuation in restructuring must satisfy essentially four pillars:

1. Economic rationality
2. Legal defensibility
3. Regulatory compliance
4. Audit sustainability

If the above criteria are not met, the restructuring will lack significance, and the whole process may ultimately prove to be a futile endeavour. In India, corporate restructuring is primarily governed by the Companies Act, 2013, while tax neutrality and capital gains implications are addressed under the Income Tax Act, 1961. Financial distress situations are resolved through the Insolvency and Bankruptcy Code, 2016. International transactions may also invoke transfer pricing and foreign exchange regulations.

Globally, similar restructuring mechanisms are influenced by IFRS frameworks, cross-border merger directives, and jurisdiction-specific insolvency codes. However, regardless of geography, valuation remains the analytical anchor.

### Common Types

Type	Relevant Law	Purpose
Merger / Amalgamation	The Companies Act, 2013	Consolidation
Demerger	The Income Tax Act, 1961 [Sec 2(19AA)]	Business separation
Slump Sale	The Income Tax Act, 1961 (Sec 50B)	Transfer of undertaking
Capital Reduction	The Companies Act, 2013 (Sec 66)	Clean up losses
Buyback	The Companies Act, 2013 (Sec 68)	Shareholder exit
IBC Resolution	The Insolvency and Bankruptcy Code, 2016	Distress restructuring, Fair Value, and Liquidation Value
Conversion (Firm → Company / LLP)	Limited Liability Partnership Act, 2008	Limited liability
Shares to Non-Residents	FEMA	RBI Pricing Guidelines

## VALUATION APPROACHES IN RESTRUCTURING

International valuation standards recognise three primary approaches: Income, Market, and Asset-based approaches. The choice depends on the nature of the business, availability of data, and restructuring objective.

### A. Income Approach (Discounted Cash Flow – DCF)

The Discounted Cash Flow method estimates enterprise value based on projected future cash flows discounted at an appropriate risk-adjusted rate (WACC). This approach is particularly suitable for growth-oriented enterprises, technology businesses, and going-concern mergers.

In cross-border restructurings, DCF becomes dominant because it captures synergies, projected integration benefits, and long-term economic potential. However, its reliability depends heavily on forecast integrity, discount rate calibration, and terminal value assumptions. Sensitivity analysis is indispensable and is best suited for Start-up companies, Tech companies, and High growth entities.

### B. Market Approach

The Market Multiple method benchmarks value against comparable listed entities or recent transaction multiples (e.g., EV/EBITDA, P/E, EV/

Sales). This method is preferred where active capital markets provide reliable data that is best suited for mature businesses and listed comparable companies. In international contexts, selecting truly comparable companies across jurisdictions requires adjustments for geography, regulatory environment, size, liquidity, and accounting standards.

### C. Asset-Based Approach (Net Asset Value)

The Asset Approach values a business based on the fair value of its assets minus liabilities. It is commonly used for investment holding entities, real estate companies, and distressed businesses where liquidation value becomes relevant and is best suited for Real estate companies, Investment holding companies and Liquidation cases.

Under insolvency regimes such as the Insolvency and Bankruptcy Code, 2016, both “fair value” and “liquidation value” are computed to guide resolution plans. These values may significantly diverge from going-concern DCF valuations.

## FLAWS IN RESTRUCTURING VALUATION

The following may be the essential flaws while valuing under reconstruction:

- Unrealistic projections
- Inflated terminal growth rate
- Negative net worth ignored
- Related party bias
- No sensitivity analysis
- Inconsistent assumptions between tax & financial reporting

## ADVISORY FOR GOOD STRATEGICAL FRAMEWORK FOR VALUATION

**Step 1: Understand Objective** - Tax saving? Fund raising? Exit? Insolvency?

**Step 2: Identify Applicable Law** - Companies Act / Income Tax / FEMA / IBC.

- Step 3: Choose Appropriate Valuation Base** - Fair Value / FMV / Liquidation Value.
- Step 4: Stress Test Assumptions** - Prepare sensitivity table.
- Step 5: Documentation** - Working papers, Management representation, Valuation memo and Board note.

## CORE PRINCIPLE - CHOOSING SPECIFIC PURPOSE OF VALUATION

A critical principle for international professionals is that valuation is purpose-specific. The same company may yield a higher value under DCF for merger integration, a conservative NAV under tax computation, a liquidation value under insolvency, and a market-driven price in capital raising. Therefore, valuation cannot be viewed as a static number. It is a structured conclusion drawn within a defined legal and economic context.

SITUATION	PREFERRED METHOD
Merger (Going Concern)	DCF + Market
Demerger	DCF
Slump Sale	DCF / NAV
Distressed Sale	NAV / Liquidation
Startup Fundraising	DCF
Family Settlement	NAV (conservative)
IBC Case	Liquidation value + Fair value

## REGULATORY INTERFACE IN INDIA AND GLOBAL ALIGNMENT

- In India the Companies Act, 2013 mandates valuation by a Registered Valuer for specified transactions.
- The Income Tax Act, 1961 prescribes fair market value rules (including Rule 11UA) for taxation purposes.
- The Insolvency and Bankruptcy Code, 2016 requires determination of fair and liquidation values.
- Internationally, restructuring valuations must align with IFRS (particularly IFRS 3 for business combinations and IAS 36 for impairment), OECD transfer pricing guidelines, and local corporate laws.
- Professionals handling cross-border mergers must reconcile accounting valuation, tax valuation, and regulatory pricing norms—often resulting in multiple defensible value conclusions.

## STRATEGIC CHALLENGES IN RESTRUCTURING VALUATION

At an international level, several complexities may arise:

- Forecast uncertainty in volatile markets;

- Cross-currency discount rate calibration;
- Transfer pricing implications;
- Minority discount and control premium assessment;
- Synergy allocation between merging entities;
- Goodwill impairment risk post-merger;
- Political and regulatory risk in emerging markets.

Robust documentation and transparent assumption frameworks become essential to withstand audit and regulatory scrutiny.

## RISK AREAS IN VALUATION DECISIONS

Professionals must remain vigilant regarding the valuation to avoid the following issues:

- Over-optimistic cash flow projections.
- Inconsistent assumptions between valuation and financial reporting.
- Unsupported terminal growth rates.
- Failure to reconcile enterprise value with equity value.
- Ignoring contingent liabilities.
- Regulatory non-alignment.

Sensitivity matrices, scenario analysis, and independent expert review strengthen defensibility. To elevate the discussion beyond conventional valuation theory, it is important to integrate strategic finance, cross-border regulation, capital market behaviour, and behavioural economics into restructuring analysis. At the international level, restructuring is not merely transactional—it is transformational and often geopolitical.

## TAX STRUCTURING IMPACT ON VALUATION

Tax efficiency directly influences enterprise value. Restructuring may unlock value through:

- Loss carry-forward utilisation;
- Step-up in asset base;
- Group consolidation benefits;
- Debt push-down strategies;
- Treaty optimisation in cross-border mergers.

In India, restructuring transactions are analysed under the Income Tax Act, 1961 to determine tax neutrality, capital gains implications, and anti-avoidance exposure (including GAAR principles). Internationally, BEPS considerations and substance-over-form doctrines

influence valuation sustainability. A transaction that appears value accretive pre-tax may be value destructive post-tax.

## ACCOUNTING IMPACT AND POST-RESTRUCTURING VALUATION

Under global reporting frameworks (IFRS/Ind AS), restructuring affects:

- Goodwill recognition
- Purchase price allocation (PPA)
- Intangible asset identification
- Impairment testing
- Deferred tax recognition

For example, goodwill created in a merger must later withstand impairment testing under IAS 36. Overvaluation at acquisition stage may result in future

write-offs, affecting market credibility. Thus, valuation must be sustainable beyond transaction date.

## CROSS-BORDER AND CURRENCY CONSIDERATIONS

Global restructurings require alignment of:

- Currency of cash flows
- Currency of discount rate
- Country risk premium
- Political and regulatory risk

Discount rates in emerging economies incorporate Sovereign risk spreads, Inflation differential and Exchange volatility. Inconsistent currency assumptions can materially distort valuation outcomes.

The summary of risk associated with valuation with all the aspects to be considered for valuation is given in the below table:

## MAPPING OF CONSOLIDATED RISK AND VALUATION

Risk Category	Key Risk Areas	Impact on Valuation	Primary Approach	Risk Adjustment Method	Cross-Check Method	Documentation Focus
<b>Strategic / Business Risk</b>	Industry cyclicality, disruption, competition, customer concentration	Cash flow volatility, uncertain terminal growth	DCF (Income Approach)	Scenario analysis, probability-weighted DCF, terminal growth moderation	Market multiples	Industry outlook disclosure, sensitivity tables
<b>Start-up / Innovation Risk</b>	Unproven model, technology obsolescence	Forecast uncertainty	Venture Capital Method	Exit multiple calibration, high discount rate	Comparable funding rounds	Assumptions on exit year & IRR
<b>Financial Risk</b>	High leverage, weak DSCR, WC stress	Higher WACC, equity erosion	FCFF DCF	WACC adjustment, debt beta, credit spread inclusion	EBITDA multiples	Debt structure & solvency analysis
<b>Distress / Insolvency Risk</b>	Negative net worth, cash burn	Going concern doubt	Asset-Based / Liquidation	Fair value of assets, recovery rate	Net asset value	Going concern justification
<b>Regulatory / Legal Risk</b>	Tax disputes, contingent liabilities, compliance gaps	Provision adjustments, uncertainty discount	Scenario-based DCF	Probability weighting of litigation outcomes	Market comps with similar exposure	Legal representation letters
<b>Market Risk</b>	Interest rate fluctuation, FX exposure, commodity volatility	Discount rate fluctuation	Income + Market Approach	CAPM adjustment, Country Risk Premium, FX sensitivity	Comparable companies	Beta & risk premium computation
<b>Country / Emerging Market Risk</b>	Political instability, regulatory unpredictability	Elevated discount rate	Multi-currency DCF	Country Risk Premium addition	Regional peer comparison	Macro-economic justification
<b>Operational Risk</b>	Supply chain dependency, production bottlenecks	Margin instability	Income Approach	EBITDA sensitivity, capex stress testing	Industry margin benchmarking	Operational KPIs disclosure

Risk Category	Key Risk Areas	Impact on Valuation	Primary Approach	Risk Adjustment Method	Cross-Check Method	Documentation Focus
<b>Governance Risk</b>	Weak controls, RPT exposure, promoter dominance	Governance discount, minority discount	Income + Market	Corporate governance discount (5–25%)	Control premium study	RPT and board structure analysis
<b>Minority Shareholder Risk</b>	Lack of control, dividend restriction	Minority discount	Market Approach	DLOM / Minority discount	Transaction comparables	Basis of discount explanation
<b>ESG / Sustainability Risk</b>	Environmental liabilities, carbon exposure	Increased cost of capital	Income Approach	ESG risk premium, capex provisioning	ESG-rated comparables	Sustainability risk disclosure
<b>Technology Obsolescence Risk</b>	Rapid innovation cycle	Shortened projection period	DCF with shorter terminal value	Growth moderation	Tech peer benchmarking	Useful life assumptions
<b>Commodity Exposure Risk</b>	Raw material price volatility	Earnings sensitivity	Income Approach	Sensitivity & scenario modelling	Industry cycle multiples	Commodity price assumption basis
<b>M&amp;A / Synergy Risk</b>	Integration uncertainty	Synergy overvaluation	APV / Synergy DCF	Separate base & synergy valuation	Pre-acquisition standalone value	Synergy realization timeline
<b>Key Personnel Risk</b>	Dependence on promoters / founders	Continuity risk	Income Approach	Key person discount	Market peer comparison	Succession planning note
<b>Litigation / Claim Risk</b>	Ongoing court cases	Cash flow uncertainty	Probability DCF	Expected value modelling	Legal risk-adjusted multiples	Legal opinion reliance statement

Globalization has significantly increased cross-border mergers, acquisitions, insolvencies, and corporate reorganizations. This has created the need for internationally harmonized valuation standards and restructuring frameworks. While no single global statute governs valuation and restructuring, an interconnected framework of international standards, accounting regulations, insolvency laws, and model laws shapes global practice. However, we have to consider the legal, regulatory, and conceptual foundations governing valuation and restructuring across jurisdictions and analyse the interaction between accounting standards, insolvency law, and valuation principles in cross-border transactions.

International regulation operates through valuation standards, accounting standards, insolvency statutes, cross-border model laws and judicial interpretation. However, International Valuation Standard provides globally accepted guidance on Market Value, Fair Value, Investment Value, Synergistic Value and Liquidation Value and widely adopted or referenced by regulators, courts, and professional bodies worldwide.

## KEY PROFESSIONAL REQUIREMENT FOR VALUATION

Always apply multi-method valuation, perform legal, financial and tax matters and ensure all compliance with Ind AS / IFRS / International Valuation Standards (IVS). A sophisticated restructuring valuation integrates Strategic Intent. The following are the essential elements to be present while undertaking valuation and restructuring process:

- Financial Modelling
- Regulatory Compliance
- Tax Optimisation
- Accounting Sustainability
- Risk Analysis and Governance Transparency

Only when these dimensions converge can a restructuring truly create sustainable value.

**BUSINESS RESTRUCTURING & VALUATION – INDIA VS. INTERNATIONAL PERSPECTIVE**

Sl. No	Area	Key Considerations	India Framework	International Framework	Major Risks	Professional Approach
1	Strategic Restructuring	Business alignment, synergy, sustainability	Companies Act, 2013	Jurisdiction-specific corporate laws	Strategic misfit	Strategic due diligence & synergy modelling
2	Insolvency Framework	Distress resolution	IBC, 2016	Chapter 11 (US), UK Insolvency Act, 1986	Liquidation risk	Going concern valuation & liquidation comparison
3	Accounting Standards	Financial reporting & consolidation	Ind AS	IFRS	Misstatement risk	Compliance with Ind AS / IFRS
4	Valuation Standards	Valuation methodology compliance	ICAI Valuation Standards	International Valuation Standards Council (IVS)	Method selection bias	Multi-method cross-checking
5	Fair Value Measurement	Exit price concept	Ind AS 113	IFRS 13	Level 3 estimation risk	Hierarchy-based valuation review
6	Consolidation Risk	Control, NCI, goodwill	Ind AS 110	IFRS 10	Improper eliminations	Technical consolidation review
7	Transfer Pricing	Arm's Length valuation	Income Tax Act + Rules	Organisation for Economic Co-operation and Development TP Guidelines	Double taxation	Comparable benchmarking & documentation
8	Tax Structuring	Capital gains, GAAR	Income Tax Act, 1961	Anti-avoidance regimes	Unexpected tax exposure	Tax-efficient structuring models
9	Exchange Control	Cross-border pricing	FEMA	Country-specific FX laws	Currency & compliance risk	Registered valuer certification & hedging
10	Valuation Approaches	DCE, Market, Cost	Accepted	Globally accepted	Projection bias	Sensitivity & scenario analysis
11	Cash Flow Forecast	Revenue growth, margin stability	Subject to audit	Subject to audit	Over-optimism	Stress testing models
12	Discount Rate	WACC, risk premium	India risk premium	Country risk premium	Under/over discounting	Risk-adjusted WACC calculation
13	Capital Structure	Debt-equity mix	RBI & company law norms	Market-driven norms	Financial distress	Capital restructuring plan
14	ESG Compliance	Sustainability reporting	BRSR	EU / Global ESG reporting	Reputation risk	ESG-adjusted valuation multiples
15	Legal Approvals	Tribunal approvals	NCLT	Court-based approvals	Delay & litigation	Regulatory mapping checklist
16	Stakeholder Impact	Shareholders, creditors	Structured voting	Court-supervised voting	Resistance & disputes	Transparent communication
17	Documentation	Valuation report format	Registered Valuer Rules	IVS-compliant reports	Regulatory rejection	Independent review & working papers
18	Post-Merger Integration	Operational alignment	Business-specific	Business-specific	Synergy failure	Structured PMI roadmap
19	Litigation Exposure	Tax & minority disputes	Increasing scrutiny	Mature enforcement systems	Legal costs	Risk provisioning
20	Governance	Board oversight	SEBI norms	Global governance codes	Agency risk	Governance due diligence

**CONCLUSION**

Business restructuring and valuation are based on Interdisciplinary, Risk-sensitive, Regulation-driven and Judgment-intensive aspects. Success depends on integration of strategy, finance, law, and compliance. Valuation is purpose specific, not absolute and restructuring valuation is no longer a numerical exercise. It is a multidimensional strategic evaluation shaped by economics, law, tax, accounting, governance, market behaviour, and geopolitical risk. The ultimate objective is not merely to determine “what a business is worth,” but to determine what it is worth, to whom, under what structure, and within which regulatory ecosystem. Valuation conclusions should disclose key value drivers and risk variables. Ethical valuation enhances stakeholder confidence and capital market integrity. The restructuring valuation is a hybrid exercise that blends financial economics with institutional realities.

Environmental, Social, and Governance (ESG) considerations increasingly influence valuation. Carbon-intensive assets may attract valuation discounts, while sustainable portfolios command premium multiples.

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# Corporate Restructuring: Key Post-Implementation Compliance Framework

Corporate Restructuring is a tribunal driven process, aimed at operational and financial efficiency and strategic growth of business. Once the scheme becomes effective, the restructured entity must implement a comprehensive post-implementation compliance framework covering corporate filings, secretarial compliance, tax and GST alignment, transfer of assets and IPRs, labour law registrations, transfer of human assets & benefits, contractual novation, and renewal of operational licences. A structured compliance schedule and inter departmental coordination are essential to ensure continuity of business without disruption. In this phase, the Company Secretary plays a critical coordinating role in executing the scheme in line with the NCLT order, safeguarding stakeholder interests, and mitigating legal and regulatory risks.



## CS Kiran Mukadam, ACS

Company Secretary & Compliance Officer  
Chembond Chemicals Limited, Navi Mumbai  
[kiran.mukadam@chembondindia.com](mailto:kiran.mukadam@chembondindia.com)

## INTRODUCTION

Corporate Restructuring is a legal process under Sections 230–232 of the Companies Act, 2013 used to reorganize a company's structure with approval of the National Company Law Tribunal (NCLT). It is commonly used for Merger/Amalgamation, Demerger, Capital restructuring, Shareholding reorganization and Compromise with creditors or members. Corporate Restructuring helps to improve financial health, operational efficiency, enhance value for shareholders, enhance profitability and facilitate strategic growth of the Company within a framework of law and applicable regulations.

A Corporate Restructuring scheme is a court-approved, binding agreement between a company and its members or creditors, commonly used for mergers, demergers, or debt restructuring. The general process under Sections 230–232 of the Companies Act, 2013 includes following steps-

1. The Board of Directors approves the proposed scheme on basis of valuation report issued by Registered Valuer and an auditor's certificate on accounting treatment.
2. On Board Approval, Listed Company move to Stock exchange, where the Company is registered for trading, for their prior approval. Unlisted Companies and Listed Companies on receipt of stock exchange approval, file an application to the National Company Law Tribunal

(NCLT) for orders to hold meetings of shareholders and creditors.

3. Shareholders/ Creditors Meetings will be held as directed by the NCLT to approve the scheme. Approval requires a majority in number representing three-fourths (75%) in value of creditors or members.
4. Once approved by shareholders/ creditors, a petition is filed with the NCLT for final sanctioning of the scheme.
5. The NCLT hears the petition and, if satisfied, passes an order sanctioning the scheme. The Company must file a certified copy of the NCLT order with the ROC within 30 days to make the scheme effective.

After successful completion of legal process of Corporate Restructuring, the primary objective is to commence operations of the new company while preserving the legacy and goodwill of the existing business. The new company allots shares or pays cash to the shareholders of the transferor company if any, based on the approved share entitlement ratio. The new company starts a formal process for transfer of assets, properties, and liabilities from the transferor company to the transferee company that occurs on the appointed date. The new company adjust the books of account to reflect the Corporate Restructuring including writing off losses, adjustment of reserves etc. In case, listing requirement is required for new company, then the company follows trading approvals guidelines for listing securities on stock exchanges. The new company shall update all its statutory records reflecting changes in management, capital structure, allotment of shares, charges on assets etc. and comply with necessary income tax regulations.

The company must take all necessary steps to ensure continuity of operations so that there is no disruption in business activities or adverse impact on the perception of stakeholders. With a new beginning, the company is generally required to comply with key legislation including:

- the Companies Act, 2013 and the rules made thereunder;
- the Income Tax Act, 1961 and related rules;
- applicable State Registration and Stamp Duty laws;
- the Goods and Services Tax laws;

- labour and employment laws as well as relevant State laws including Professional Tax and Labour Welfare Fund regulations;
- depending on the nature of the business, the company may also be required to comply with other applicable laws such as the FEMA regulations, environmental laws, industry-specific regulations, and intellectual property laws.

Proper adherence to these compliances helps to maintain business continuity, protects stakeholder confidence, and establishes a strong legal foundation for the restructured entity.

After completion of a Corporate Restructuring, the restructured entity is required to establish and implement a structured compliance framework to ensure smooth transition, regulatory continuity, and uninterrupted business operations. A systematic post-restructuring compliance mechanism helps align statutory registrations, operational approvals, and governance processes with the new corporate structure. The broad compliance details, organized according to the nature and scope of the business, to facilitate effective implementation and ongoing regulatory adherence is as given below.

### COMPANIES ACT, 2013 AND RULES MADE THEREUNDER

The company is required to file the certified copy of the NCLT Order through INC 28 with the Registrar of Companies (ROC) and take all necessary steps to give effect to the scheme. The date of filing of the prescribed e-form with the ROC shall be considered as the Effective Date of the scheme, including for the purpose of transfer and vesting of the business.

Further, the company shall allot shares in accordance with the scheme through filing PAS 3, update all statutory registers, and reconstitute the Board of Directors and committees, if required. It shall also appoint Statutory Auditor, Secretarial Auditor, Cost Auditor, Internal Auditor and Key Managerial Personnel.

The company shall ensure that all ROC filings including change in beneficial ownerships, transfer of dividend and shares to IEPF, transfer of charges, secretarial records, and statutory compliances are duly updated and aligned with the requirements applicable to the company.

### INCOME TAX ACT, 1961 AND RULES

The company records transfer of assets and liabilities as per the scheme, ensure proper carry forward of losses and tax attributes where applicable, implement TDS compliance, plan advance tax payments, and prepare for filing of income tax returns in the new financial year. The company is required to update TDS/TCS records, file returns under its TAN, and compute and pay advance tax for income arising from the effective date, adjusting for any credits transferred from the Demerged/Amalgamating company. The Company ensures to file the revised return under Section 139(5) as per scheme of Corporate Restructuring of previous years or effect to be given in the return of the year in which the scheme becomes effective, supported by NCLT order and working papers. All pending litigations, proceedings, and disputes relating to the

undertaking being transferred shall continue to be the liability of the transferred company, unless expressly assumed by the company under the Corporate Restructuring scheme.

### GOODS AND SERVICES TAX (GST) LAWS

The company shall obtain fresh GST registration or amend existing registration, transfer eligible input tax credit, update invoicing and accounting systems, updates e-way bill, revises GST master data of customers and vendors, filing GST ITC-02, and ensures timely filing of GST returns. Upon the effective date of the scheme, the company assume all GST-related rights, obligations, and liabilities of the transferor companies. All Input Tax Credit (ITC) relating to inward supplies received by the transferor companies, including for the period from the appointed date to the effective date, shall be deemed to have been transferred to the company under the GST transitional provisions. The company maintain proper records and reconciliations of such ITC and shall be entitled to claim the full eligible credit in its first GST return (GSTR-3B) filed post-effective date.

### STATE REGISTRATION AND STAMP DUTY LAWS

Pursuant to the scheme of Corporate Restructuring, the company pays applicable stamp duty on the transfer of assets in the State where the Registered Office (RO) of the transferor company is situated, in accordance with the provisions of the relevant State Stamp Act. For that, the company submits necessary assets details along with copy of order before Collector of stamp or appropriate authority of that state, where the registered office of the company is situated. On receipt of direction from the same, the company pays stamp duty on transfer of assets and properties of the company as per scheme of restructuring. In case, if the immovable properties including land, buildings, plant and machinery is situated in other States, the company submits necessary application at respective jurisdictional Sub-Registrar of Assurances and pays additional stamp duty as per respective state laws. The company takes all necessary steps to update revenue records (7/12 extracts), mutation entries, change in ownership records at local authority level for transferring of land and other properties. The company ensures full compliance with all procedural and statutory requirements relating to stamping, registration, and transfer of title under the Corporate Restructuring scheme.

### EMPLOYEE RELATED

From the date the scheme is effective, employees of the transferred business typically transfer to the new company on terms "no less favorable" than their previous employment. The company must have new registrations under different labour and Industrial laws, including Provident Fund (PF), Employees' State Insurance (ESIC), Professional Tax (PT), and Labour Welfare Fund (LWF) or other relevant labour registrations if any. The company continues to follow various compliance provisions of different Acts including Payment of Wages Act, 1936, Minimum Wages Act, 1948, Payment of Bonus Act, 1965, Equal Remuneration Act, 1976, Industrial Disputes Act, 1947, Trade Unions Act, 1926, Industrial Employment (Standing Orders) Act, 1946, Employees' Provident Funds & Miscellaneous Provisions Act, 1952, Employees' State Insurance Act, 1948, Payment of Gratuity Act, 1972,

Maternity Benefit Act, 1961, Employees' Compensation Act, 1923, Unorganised Workers Social Security Act, 2008 and Payment of Gratuity Act, 1972 (Now the Code on Wages, 2019, Industrial Relations Code, 2020, Occupational Safety, Health and Working Conditions Code, 2020 and Code on Social Security, 2020). The company updates its register and records related to such laws and regulations. The company transfers all its insurance scheme related to employee benefits like gratuity, leave encashment, and superannuation from the transferred company to the company in accordance with applicable provisions of Income Tax Act, 1961 and guidelines given by Insurance company. The company ensures to continue the existing employee insurance, welfare schemes, and benefit plans without interruption. The company communicates properly to the employees on such aspects and issue transfer letters if required to record the continuation of employment and preservation of past service benefits. The company ensure seamless transfer and uninterrupted compliance with all applicable employment and social security laws.

### INTELLECTUAL PROPERTY LAWS (IPR)

As a part of continuing business of the company, it is required to transfer all intellectual property rights (IPR) relating to the transfer undertaking, including trademarks, copyrights, patents, designs, domain names, licenses, and other proprietary rights. The company shall file a deed of assignment for change in ownership of all intellectual property rights (IPR) along with supporting document of the scheme and certified copy of NCLT order before the Office of the Controller General of Patents, Designs and Trade Marks and Copyright Office of India. In case post the scheme, there is joint ownership of any intellectual property right or IPR to be used by group companies, the company shall file joint ownership application with appropriate deed of joint ownership, license, or user agreement before the Office of the Controller General of Patents, Designs and Trademarks and Copyright Office of India. The object of such application is to regularize continued usage and ownership structure. The company shall review and update all IPR-related contracts, licenses, franchise agreements, technology transfer agreements, and third-party consents, as required.

### OPERATIONAL COMPLIANCE

Pursuant to the scheme of Corporate Restructuring, the company shall take all necessary steps to continue the

factory operations and business. Accordingly, the company is required to transfer, endorse, or obtain fresh factory and environments approvals in the name of the company. Such compliances shall include, inter alia, pollution control consents and environmental clearances, trade and municipal licenses, factory license, fire NOC, electric connection transfer and related approvals under the Factories Act, 1948 permissions relating to DG set installation and operation, ISO certifications, and NSIC or other industry-specific registrations, wherever applicable. The company is required to coordinate with the respective regulatory authorities to file prescribed applications, intimations, and supporting documents for effecting such transfer or revalidation.

The company also ensures timely filing of all statutory returns, renewals, and periodic compliances associated with the transferred licenses and approvals under applicable laws. The company ensures uninterrupted continuation of operations of the transferred undertaking in compliance with applicable legal and regulatory requirements.

### OTHER GENERAL COMPLIANCES

Pursuant to the scheme of Corporate Restructuring, the company shall ensure compliance with all other applicable sectoral, regulatory, and statutory approvals relevant to the transferred undertaking, including obtaining or endorsing registrations and permissions under applicable environmental and pollution control laws, factory and industrial safety regulations, municipal and local authority approvals, and industry-specific regulatory frameworks governing the business of the undertaking. Where applicable, the company shall update registrations with sector regulators such as SEBI, RBI, IRDAI, TRAI, DGFT, PESO, or other competent authorities, and comply with requirements relating to import-export codes, hazardous substance handling, fire safety certifications, land use approvals, and building permissions. The parties shall also ensure compliance with applicable data protection and information security regulations, competition law requirements, and any necessary government incentives, subsidies, or industrial promotion scheme conditions linked to the undertaking. All prescribed filings, intimations, renewals, and approvals required under such laws shall be completed in a timely manner to ensure uninterrupted regulatory compliance and lawful continuation of the transferred business.

A systematic post-restructuring compliance mechanism helps to align statutory registrations, operational approvals, and governance processes with the new corporate structure.

**Table 1: Compliance Tracker**

Sr. No.	Act / Law	Key Compliance Actions	Suggested Timeline	Responsible Internal Department
1	Companies Act, 2013	File NCLT order with ROC, allot shares, update statutory registers, appoint auditors/KMP.	0-30 days	Secretarial
2	SEBI Regulations (applicable if listed)	Listing and Trading of Securities.	0-60 days	Secretarial
3	Income Tax Act, 1961	Update PAN/TAN, record asset transfer, start TDS compliance, plan advance tax.	0-60 days	Finance

4	GST Laws	Obtain/amend GST registration, transfer ITC, update invoicing system.	0–60 days	Finance
5	State Registration & Stamp Duty	Stamp and register asset/property transfer documents, update land records.	0–90 days	Legal/ Finance
6	Factories Act, 1948	Amend or obtain factory license and safety approvals.	0–60 days	Operations
7	Industrial/Labour Laws	Transfer employees with continuity of service and update employment records.	Immediate	HR
8	Provident Fund Act, 1952	Amend PF registration and migrate employee records.	0–30 days	HR
9	ESIC Act, 1948	Update ESIC registration and employee database.	0–30 days	HR
10	Payment of Gratuity Act, 1972	Maintain continuity of service and update employer details.	Immediate	HR
11	Employee Benefit Policies	Transfer leave encashment and other benefit records.	Immediate	HR
12	Professional Tax	Obtain/amend PT registration and start deductions.	0–30 days	HR
13	State Labour Welfare Fund	Update registration and contribution records.	0–60 days	HR
14	Contract Labour Act, 1970	Update Contractor Registrations and agreements.	0–60 days	Operations
15	Pollution Control Laws	Transfer/renew PCB consents and environmental approvals.	0–90 days	Legal
16	Environment Protection Laws	Ensure waste and environmental compliance systems.	0–90 days	Legal
17	IPR Laws	Transfer trademarks/patents/copyrights and any pending case related to IPR.	0–180 days	Legal
18	FEMA Regulations	Complete RBI reporting (if foreign investment involved).	As applicable	Finance
19	Banking Regulations	Update bank mandates and financing documents, credit facilities.	Immediate	Finance
20	Insurance Laws	Transfer insurance policies to new entity.	Immediate	Admin
21	Industry-Specific Laws	Update sector-specific approvals/licenses.	As applicable	Legal
22	Contractual Compliances	Novate Contracts and inform vendors/customers.	0–90 days	Supply Chain

### ROLE OF THE COMPANY SECRETARY IN POST-DEMERGER IMPLEMENTATION

After the scheme becomes effective, the Company Secretary plays a central role in ensuring seamless implementation of the scheme and full compliance with the Companies Act, 2013 and applicable SEBI regulations. The Company Secretary plays an important role in the post-implementation phase of a scheme of Corporate Restructuring, ensuring that the legal, regulatory, and procedural requirements sanctioned by the National Company Law Tribunal (NCLT) and provisions of the scheme are fully executed. Mainly, the Company Secretary is directly responsible for share allotment and corporate actions, updating statutory registers and records, drafting and implementing necessary board and shareholder resolutions, overseeing secretarial compliances, IEPF related issues, attending the stakeholders queries related to the scheme, works related to transfer of assets and properties and to do a structured compliance calendar for all ongoing statutory filings.

The Company Secretary acts as key coordinator among different departments on regulatory requirements arising from the restructuring like accounting adjustment and income tax department related communications by finance team, employee related issues by human resources team, operations licenses, creditors and debtors related issues by operational team. The Company Secretary shall ensure adherence to the schedules and timelines stipulated under the scheme by providing necessary support through proper documentation and

addressing inter-departmental queries relating to Corporate Restructuring.

Post-implementation activities for giving effect to Corporate Restructuring are complex and require careful execution, as non-compliance may lead to penalties or legal issues. The Company Secretary ensures that all actions align with the “Effective Date” in the scheme and NCLT order while maintaining compliance. The Company Secretary shall ensure that the Corporate Restructuring is implemented without any disruption to the Company’s ongoing business operations.

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# Finding the Right Fit: The Synergistic Side of Corporate Structuring

Corporate Structuring is among the most consequential strategic decisions an enterprise can make. In India, these decisions occur within the sophisticated legal framework established by the Companies Act, 2013 — legislation that fundamentally transformed Indian company law; introduced the National Company Law Tribunal, codified related-party transaction governance, mandated consolidated financial statements, and created the fast-track and cross-border merger frameworks. This article examines the synergistic dimensions of corporate structuring — the holding-subsidiary relationship (Section 2(46) and 2(87)), inter-corporate investments (Section 186), related party governance (Section 188), mergers and amalgamations (Sections 230–234), class action protections (Section 245), and the independent director framework (Schedule IV). Through the lens of India's leading corporate groups, landmark NCLT decisions, and the broader regulatory ecosystem of SEBI and RBI, the article demonstrates that structure, when aligned with both business strategy and legal intent, generates competitive synergy that no standalone entity can replicate.



**CS Monika, ACS**

Compliance Head-Drishti IAS  
monika.singh2017@gmail.com

## INTRODUCTION

In boardrooms across India, executives confront a deceptively simple question: How should we organise ourselves? The answer carries profound strategic, operational, and legal implications.

### Corporate structuring

The deliberate design of legal entities, divisions, reporting lines, subsidiaries, joint ventures, and governance mechanisms — is not merely an administrative exercise. It is a strategic instrument that, when deployed intelligently, generates synergy; the powerful phenomenon whereby a well-aligned organisation achieves outcomes that its individual units could never accomplish in isolation.

In India, this strategic question is inseparable from the Companies Act, 2013 (hereinafter 'the Act'). Enacted by Parliament and progressively brought into force from April 2014 onwards, the Act fundamentally transformed the legal landscape for corporate structuring.

This article examines how the key structural provisions of the Companies Act, 2013 — read alongside SEBI

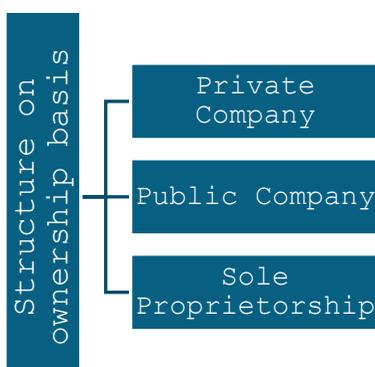
(Listing Obligations and Disclosure Requirements) Regulations, 2015, RBI's foreign exchange framework, and the Income Tax Act, 1961 restructuring provisions — define the legal parameters of synergistic corporate design. It draws on landmark NCLT decisions, Supreme Court judgments, regulatory guidance, and corporate case studies to demonstrate that structure, when properly aligned with legal architecture and business strategy, becomes an enduring source of competitive advantage.

## DEFINING CORPORATE STRUCTURE UNDER THE COMPANIES ACT, 2013

### • Types of Companies and their Structural Implications

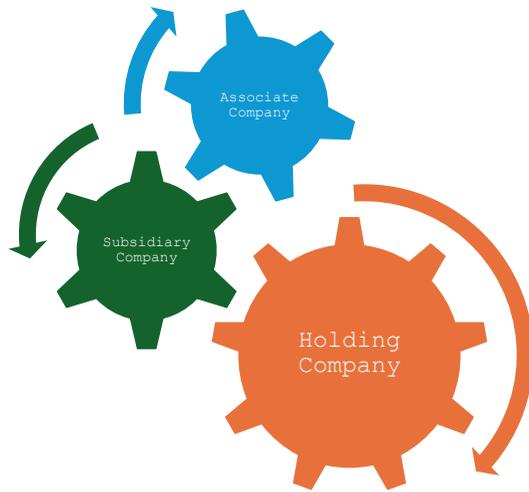
The Act retained and refined the fundamental classification of companies established by its predecessor. Under Section 3, companies may be formed as public or private companies limited by shares, limited by guarantee, or unlimited in liability. The Act introduced a new category; the One Person Company (OPC) under Section 2(62) — extending the structural toolkit available to Indian entrepreneurs.

A critical structural innovation under the Act is the concept of the 'small company' {Section 2(85)} — a private company below specified thresholds of paid-up capital and turnover which is eligible for the fast-track merger route under Section 233. This provision, examined in detail below, substantially reduces the time and cost of structural reorganisation for smaller enterprises, enabling more agile responses to strategic imperatives.



- **The Holding and Subsidiary Relationship**

The architectural foundation of Indian corporate groups under the Act is the holding-subsidiary relationship.



The definition represented a significant evolution from the erstwhile Companies Act, 1956. By explicitly including control through management agreements and voting arrangements; not just by board composition or shareholding — the Act acknowledged the sophisticated contractual mechanisms through which modern corporate groups exercise structural authority. A holding company could now be identified not merely by its equity stake but by the full range of instruments through which it shapes subsidiary decisions.

Crucially, the Act introduced a restriction on layers of subsidiaries under Section 2(87) read with the Companies (Restriction on Number of Layers) Rules, 2017. This provision intended to curb the circular holding structures and multi-layered opacity that characterised some pre-2013 corporate groups; fundamentally altered the structural design space for Indian conglomerates, requiring genuine rationalisation of group architectures.

- **Associate Companies [Section 2(6)]**

The associate company concept has significant governance and accounting implications. Associates must be accounted for using the equity method in consolidated financial statements under Ind AS 28, making their performance visible to investors in the parent's financial statements. Transactions with associates qualify as related-party transactions under Section 188, requiring disclosure and approval. And the independent director requirements applicable to the listed holding company extend their governance reach into associate relationships through audit committee oversight.

## SYNERGY: THE STRATEGIC LOGIC OF STRUCTURAL CHOICE

Synergy in corporate structuring refers to the incremental value created when the combined architecture of a group achieves outcomes — financial, operational, or strategic; that individual entities could not accomplish independently. Under the Act, the legal framework both enables and disciplines the pursuit of synergy, creating a governed space within which structural creativity can flourish.

**Cost synergies** are perhaps the most tangible. A holding company may establish shared service entities — providing legal, finance, IT, HR, and compliance functions to group subsidiaries — under formal intra-group service agreements. The Income Tax and transfer pricing framework requires these arrangements to be at arm's length, but within that constraint, they can deliver significant economies of scale. The framework under the Act for inter-corporate transactions and related-party transactions governs how these arrangements must be structured and approved.

**Revenue synergies** emerge when group companies share customer relationships, distribution networks, or brand equity to generate growth that neither could achieve alone. The Tata group's deployment of the Tata brand across automotive, steel, IT, hospitality, and financial services — each entity benefiting from collective brand credibility while contributing to its value — represents India's most sustained example of structural revenue synergy. The holding company's governance oversight (through nominee directors on subsidiary boards, as enabled by Section 166 and the Articles of Association) ensures that brand usage remains consistent and value-accretive.

**Capability synergies** — the most strategically potent; arise when group companies access complementary skills, technology, or data through structural relationships. The provisions under the Act for intra-group arrangements, technology licensing, and secondment of personnel provide the legal scaffolding for such capability sharing, while the NCLT-supervised merger framework (Sections 230–232) enables more permanent structural integration when the strategic case warrants it.

## INTER-CORPORATE INVESTMENTS AND FINANCIAL SYNERGY

Section 186 of the Act governs loans, guarantees, securities, and investments made by a company to or in another body corporate. It is the primary statutory framework regulating the financial flows through which group synergy is enabled and funded. The provision replaced the more limited Section 372A of the erstwhile Companies Act, 1956 with a significantly more comprehensive and governance-intensive regime.

Under Section 186(2), a company may not directly or indirectly give any loan or guarantee, provide any security, or make any investment exceeding sixty percent of its paid-up share capital, free reserves, and securities

premium account, or one hundred percent of its free reserves and securities premium account, whichever is more — without prior approval by special resolution of its shareholders. This threshold, while restrictive for heavily capitalised groups, reflects Parliament's intent to ensure that significant inter-corporate financial commitments receive appropriate stakeholder scrutiny.

The provision carves out exceptions of considerable structural importance. Section 186(11) exempts **banking companies, insurance companies, housing finance companies, and non-banking financial companies** from several of its requirements, recognising the inherently financial nature of their operations.

*Loans made by a holding company to its wholly-owned subsidiary and guarantees given or securities provided by a holding company in respect of loans made to its wholly-owned subsidiary are exempt from the approval requirement under Section 186(3) — an exemption that significantly facilitates intra-group treasury management and financial synergy within wholly-owned structures.*

The practical import of Section 186 for group structuring is substantial. It creates a governance filter — board approval as a minimum, shareholder approval beyond the threshold — that disciplines the deployment of group financial resources. Companies must maintain a register of investments and loans under Section 186(9), ensuring transparency of intra-group financial flows that was frequently absent under the predecessor framework.

## RELATED PARTY TRANSACTIONS (SECTION 188) AND THE GOVERNANCE OF INTRA-GROUP SYNERGY

Among the most consequential governance innovations of the Act is the enhanced framework for related party transactions (RPTs) under Section 188. RPTs between a company and its directors, key managerial personnel, subsidiaries, associates, or other related parties — are the primary mechanisms through which corporate groups operationalise synergy. They are also the primary avenue through which synergy can be converted into value extraction at the expense of minority shareholders.

Section 188 requires prior board approval (and, above prescribed thresholds, shareholder approval by special resolution with related parties abstaining from voting) for a wide range of transactions including sale, purchase, or supply of goods or materials, selling or buying property, leasing property, availing or rendering services, appointment to offices of profit, underwriting subscriptions, and related party loans (subject to Section 186). The SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 extend

and strengthen these requirements for listed companies, requiring audit committee approval for all RPTs and shareholder approval for material RPTs above specified thresholds.

The governance architecture around RPTs represents the central answer of the Act, to the tension between synergy and exploitation. By requiring independent director oversight (through the audit committee under Section 177), shareholder voice (through the special resolution requirement for material RPTs), and comprehensive disclosure (in financial statements, board reports, and stock exchange filings), the framework creates a multi-layered check on the use of intra-group transactions. A transaction that is genuinely synergistic should be able to withstand this scrutiny; one that primarily serves promoter interests at minority expense should not.

In practice, the RPT framework has had significant consequences for Indian group structures. Groups that previously managed intra-group transactions informally have been compelled to formalise them, obtain proper approvals, and document arm's-length justifications. This formalisation, while increasing compliance costs, has also strengthened the institutional credibility of intra-group arrangements, making them more defensible to regulators, auditors, and minority investors.

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## MERGERS AND AMALGAMATIONS (SECTIONS 230–234)

- **The NCLT Framework (Sections 230–232)**

Sections 230 to 232 of the Act establish the comprehensive framework for compromises, arrangements, and amalgamations — the statutory architecture for structural consolidation and reorganisation in Indian corporate life. The most significant procedural change from the erstwhile Companies Act, 1956 framework is the transfer of jurisdiction from the High Courts to the National Company Law Tribunal (NCLT), established under Section 408 of the Act. This specialisation has, over time, created a dedicated judicial expertise in corporate restructuring matters.

Under Section 230, a company, its creditors, or its members may apply to the NCLT for sanction of a compromise or arrangement. The NCLT may call meetings of creditors and/or members, and if three-fourths in value of those present and voting agree to the scheme, the NCLT may sanction it, making it binding on all creditors and members. Section 231 gives the NCLT broad powers to supervise and enforce the implementation of sanctioned schemes. Section 232 specifically addresses mergers and amalgamations — the transfer of the undertaking, property, and

liabilities of a transferor company to a transferee — and empowers the NCLT to make all ancillary orders necessary to give effect to the scheme without requiring individual conveyances for transferred assets.

The Act introduced important new safeguards in the merger process that reflect its enhanced minority protection philosophy. Section 230(3) read with rule 6 of the Companies (Compromises, Arrangements and Amalgamations) Rules 2016 (the CAA Rules 2016) requires that the scheme disclose how the compromise or arrangement will effect on material interest or Directors, Key Managerial Personnel (KMP), shareholders, creditors, debenture holders/trustees etc. Section 247 mandates valuation by a registered valuer; a new professional category created by the Act — ensuring that exchange ratios in mergers are supported by independent, credentialed valuation rather than purely promoter-determined assessments. These provisions directly address the information asymmetry that historically allowed promoters to design merger terms that were superficially compliant but substantively extractive.

- **Fast-Track Mergers (Section 233)**

One of the most practically significant structural innovations of the Act is the fast-track merger route under Section 233. Applicable to mergers between two or more small companies, mergers between a holding company and its wholly-owned subsidiary, and such other classes of companies as may be prescribed, the fast-track route eliminates the requirement for NCLT approval. Instead, the merger is sanctioned by the respective Registrars of Companies (ROC) after the requisite filings and objection period — a process that can be completed in a fraction of the time required for the standard NCLT route.

The strategic significance of Section 233 for synergistic structuring cannot be overstated. Holding companies seeking to absorb wholly-owned subsidiaries — to rationalise group structures, eliminate dormant entities, or consolidate overlapping operations; can now do so with dramatically reduced time and cost. A merger that previously required twelve to eighteen months of court proceedings can be completed in three to four months through the ROC route. This agility is itself a structural competitive advantage; the ability to rapidly reconfigure group architecture in response to strategic developments.

- **Cross-Border Mergers (Section 234)**

Section 234 of the Act, read with the Companies (Compromises, Arrangements and Amalgamations) Rules, 2016 and the Reserve Bank of India's Cross Border Merger Regulations, 2018, created the framework for cross-border mergers for the first time in Indian legal history. Both inbound mergers (where a foreign company merges into an Indian company, with the Indian company as the surviving entity) and

outbound mergers (where an Indian company merges into a foreign company in a specified jurisdiction, with the foreign company surviving) are now legally permissible.

The structural synergies enabled by cross-border mergers are significant. Indian companies with overseas subsidiaries can now achieve full legal integration of those subsidiaries — eliminating duplicative governance, consolidated group treasury management, and unified brand and operational management — in a single corporate structure rather than through the contractual approximations previously required. Equally, foreign multinationals seeking deeper India integration can merge their Indian subsidiary directly into the parent, achieving capital efficiency and governance simplicity that the previous framework did not permit.

The RBI's approval requirements for outbound mergers — including ensuring that Indian shareholders receive fair value, that the surviving foreign entity is in a FATF-compliant jurisdiction, and that applicable foreign exchange regulations are satisfied; add regulatory layers that require careful advance planning. But the availability of the route at all represents a structural opportunity that sophisticated Indian and multinational corporate groups have begun to deploy with increasing frequency.

## CORPORATE GOVERNANCE AS STRUCTURAL ENABLER

- **Independent Directors and the Audit Committee (149, 177, and Schedule IV)**

The Act substantially strengthened the corporate governance framework applicable to Indian companies, with particular emphasis on independent directors and board-level committee oversight. Section 149 requires that prescribed companies (including listed companies and companies above specified size thresholds) have at least one-third of their board as independent directors. Schedule IV — the Code for Independent Directors — establishes detailed duties and responsibilities for independent directors, including the duty to 'safeguard the interests of all stakeholders, particularly the minority shareholders.'

For group structures, independent directors perform a critical governance function. On the board of a listed holding company, they provide oversight of the group's strategy and financial performance, scrutinise related-party transactions (through their membership of the audit committee under Section 177), and represent minority shareholder interests against potential promoter overreach. On the boards of listed subsidiaries, they provide analogous protections—ensuring that the board of the subsidiary considers the independent interests of the subsidiary and not merely the holding company's preferences.

The audit committee under Section 177 is the institutional centrepiece of this oversight architecture. Comprising at least three directors, the majority of whom must be independent, the audit committee reviews financial statements, oversees the internal audit process, approves related-party transactions, evaluates internal financial controls, and interacts with statutory auditors. For group companies, the audit committee is the primary governance mechanism through which intra-group transactions are scrutinised and either approved on arm's-length terms or rejected.

- **Key Managerial Personnel and Structural Accountability**

The Act introduced the concept of 'Key Managerial Personnel' (KMP) under Section 2(51), comprising the Chief Executive Officer (or Managing Director/Manager), the Company Secretary, and the Chief Financial Officer etc. This framework, absent from the erstwhile Companies Act, 1956, created specific accountability for the senior executives responsible for day-to-day management — a structural acknowledgement that corporate groups require identifiable, accountable leadership beyond the board.

The KMP framework has structural implications for group companies. Each material subsidiary must have its own KMPs, with their own fiduciary and professional responsibilities. The KMPs of a holding company cannot simply discharge the governance obligations of a subsidiary by fiat; each entity's management must be genuinely responsive to that entity's board and stakeholders. This requirement for genuine management substance at each level of the group structure reinforces the legal separateness of entities and disciplines against the use of subsidiary form without subsidiary substance.

## DEMERGERS, STRUCTURAL UNBUNDLING, AND THE INCOME TAX FRAMEWORK

The strategic mirror image of merger is demerger; the structural recognition that certain businesses generate more value as independent entities than as components of a larger whole. The Act addresses demergers through the broad scheme of arrangement framework in Sections 230–232, which is sufficiently flexible to encompass any restructuring that transfers identified undertakings from one company to another, with consideration being issued by the transferee company to shareholders of the transferor.

The Income Tax Act, 1961 governs the tax treatment of demergers through Sections 2(19AA), 47(vib), 72A, and related provisions. A transaction qualifies as a tax-neutral demerger if all assets and liabilities of the

demerged undertaking transfer to the resulting company at book value, the resulting company issues shares to all shareholders of the demerged company proportionately, and the demerged company continues as a going concern in respect of the remaining undertaking. Meeting these conditions requires careful advance structural planning — a discipline that integrates legal, tax, and financial advisory inputs.

The demerger route has been used with considerable sophistication by Indian corporate groups seeking to unlock the value embedded in conglomerate structures. When conglomerate discount — the phenomenon whereby the market values a diversified group at less than the sum of its focused parts — is material, demerger into separately listed entities allows each business to be valued by specialist investors on its own merits. The resulting structural configuration — multiple focused, independently governed entities — may generate more total market value than the preceding integrated structure, while enabling each entity to pursue its sector-specific synergies more aggressively.

## STRUCTURAL AGILITY AND THE DYNAMIC ORGANISATION

Perhaps the most important evolution in corporate structuring thinking under the Act regime is the shift from viewing structure as a static legal design to treating it as a dynamic strategic capability. The combination of the fast-track merger route (Section 233), the NCLT's expedited processing of straightforward arrangements (Section 230), the clear regulatory framework for cross-border mergers (Section 234), and the RBI's streamlined approvals for restructuring has made structural reconfiguration significantly more accessible than it was under the erstwhile Companies Act, 1956.

Indian corporate groups that previously tolerated sub-optimal structures because the cost and time of restructuring were prohibitive now have genuine alternatives. A holding company can absorb an underperforming wholly-owned subsidiary within months. A business division that has achieved sufficient scale can be demerged and listed as an independent entity on a compressed timeline. Two related companies can be merged to eliminate redundancy without the multi-year High Court process that previously applied.

The regulatory direction is clearly towards further agility. The Ministry of Corporate Affairs and SEBI have repeatedly signalled their intent to streamline restructuring processes, reduce processing timelines, and extend the fast-track route to additional categories. Companies that build structural flexibility into their governance — clear decision rights, modular

entity design, simplified intra-group arrangements that can be unwound without litigation — are better positioned to exploit these opportunities than those whose structures have grown organically into rigidly interconnected webs.

The Insolvency and Bankruptcy Code, 2016 (IBC) adds a further dimension to structural agility. By providing a time-bound, creditor-controlled resolution process for corporate insolvency, the IBC has facilitated the acquisition and structural integration of distressed assets at market-appropriate values — creating M&A opportunities that the prior framework's protracted winding-up proceedings made practically unavailable. Acquirers who understand the IBC process as a structural opportunity have used resolution plan acquisitions to build group positions in strategic sectors with remarkable efficiency.

### LANDMARK CASES UNDER THE COMPANIES ACT, 2013 FRAMEWORK

The NCLT and appellate courts have developed a growing body of jurisprudence under the Act that illuminates how structural decisions are evaluated by India's specialist corporate judiciary. A selection of landmark decisions provides concrete illustration of the synergy principles examined in this article.

In the matter of Reliance Jio Infocomm Ltd. merger with Reliance Industries Ltd. (NCLT Mumbai, 2019), the Tribunal sanctioned a complex scheme of arrangement involving the merger of a wholly-owned subsidiary into its parent, rationalising the group's telecom holding structure. The Tribunal confirmed the application of Section 232 and validated the registered valuer's report under Section 247, establishing the methodology for valuation-supported exchange ratios in intra-group mergers.

In HDFC Ltd. and HDFC Bank Ltd. merger (NCLT Mumbai, 2023) — one of India's largest-ever corporate mergers — the Tribunal's process demonstrated the full sophistication of the Section 230–232 framework. The scheme required coordinated approvals from RBI, SEBI, IRDAI, NHB, and the NCLT simultaneously, illustrating the multi-regulatory complexity of structural decisions in regulated industries. The merger created a structurally integrated financial services group with combined synergies in capital deployment, distribution, and customer cross-sell that neither entity could have achieved independently.

These proceedings collectively establish that governance framework of the Act is not merely aspirational — it is actively enforced, with real consequences for structural decisions that prioritise promoter interests over stakeholder protection.

### CONCLUSION

Finding the right structural fit in contemporary India is an exercise that simultaneously spans strategic intent, operational design, and sophisticated navigation of the Act's comprehensive legal framework. The Act with its revolutionised holding-subsidary definitions, enhanced related-party transaction governance, NCLT-supervised merger processes, fast-track amalgamation routes, cross-border merger framework, mandatory consolidation requirements, and minority protection mechanisms provides both the toolkit and the guardrails for synergistic corporate structuring.

In this environment, the synergistic case for corporate structuring is also the legally sound case. Structures that create genuine value by enabling capability combination, facilitating efficient capital allocation, supporting strategic focus, and protecting all stakeholders' interests — are the ones that will receive regulatory sanction, attract minority investor confidence, and deliver sustainable competitive advantage. Finding the right fit, in the era of the Act, means finding the structure where legal integrity and strategic synergy are not in tension but in alignment — and in that alignment lies India's corporate future.

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# Inclusive Governance and Gender Equality: Dharmic Foundations for Sustainable Corporate Futures

Gender equality, representation and inclusion are now widely acknowledged as essential to sustainable development and institutional resilience. Although modern debates often frame these issues within the language of human rights, ESG and corporate governance, their philosophical roots run much deeper. Ancient Indian civilizational thought, especially as articulated in the Mahabharata, the Shrimad Bhagawata Purana and the Dvaita Vedanta of Acharya Madhwa, offers a sophisticated perspective on social balance, moral order and inclusive governance. The article argues that gender inclusion is not a contemporary ethical innovation but a timeless dharmic requirement central to sustainability. By drawing meaningful connections between classical Indian concepts and modern corporate frameworks such as ESG, Business Responsibility and Sustainability Reporting (BRSR), board diversity scholarship and stakeholder theory, the article demonstrates that sustainable futures, whether in society or within corporations, cannot be achieved without embedding substantive gender equality into governance, culture and leadership.



**CS (Dr.) Sudheendhra Putty, FCS**

Associate Vice-President & Company Secretary  
Cyient Limited, Hyderabad  
[sudheendhra.putty@cyient.com](mailto:sudheendhra.putty@cyient.com)

## INTRODUCTION

Public debates on sustainability often concentrate on environmental concerns – climate resilience, conservation of resources and the broader ecological impact of human activity. While these issues are doubtless important, sustainability in its complete sense goes well beyond them. It also depends on social fairness, ethical conduct and the strength and continuity of institutions. A society that misuses natural resources; risks ecological decline in much the same way, a society that sidelines or excludes large sections of its people undermines its own social and moral foundations. For this reason, gender equality, representation and inclusion must be seen as central to any durable vision of sustainability, not as optional social considerations.

Global policy frameworks, most notably the United Nations Sustainable Development Goals (SDGs), make this connection explicit by identifying gender equality as essential for sustainable development, economic progress and social justice. This linkage is increasingly reflected in corporate governance practices, investor expectations and regulatory disclosures through ESG frameworks, diversity requirements and stakeholder focused reporting. Yet, despite growing awareness, gender inclusion is still too

often approached as a matter of procedure or reputation management, rather than as a core design principle of responsible governance.

Ancient Indian thought provides a broader and deeper vantage point. Its classical texts do not present gender equity as a desirable ideal but as a fundamental element of social order (*dharma*). In the *Mahabharata*, the fortunes of kingdoms are repeatedly tied to the treatment of women, with exclusion portrayed not just as moral failure but as a trigger for systemic decline. The *Shrimad Bhagawatam* presents an inclusive spiritual outlook where devotion, knowledge and moral insight are not determined by gender. Acharya Madhwa's Dvaita Vedanta furthers this understanding by recognizing individual gradation while firmly upholding the dignity of every person.

Today's corporate environment with its complexity, heightened stakeholder scrutiny and growing expectations of long term value creation faces challenges that echo those found in these ancient narratives: concentration of power, reluctance to discern dissent, ethical drift and an over emphasis on the short term. The alignment between contemporary sustainability concerns and age old Indian wisdom is therefore not accidental. It reflects enduring principles about balance, justice and inclusion – principles that remain at the core of institutions and societies striving to thrive over the long term.

## 'DHARMA' AS THE ETHICAL ARCHITECTURE OF EQUALITY AND INCLUSION

At the core of Indian civilizational thought lies the concept of '*Dharma*', a term often inadequately translated as law, duty or morality. '*Dharma*' denotes that, which upholds socially, ethically and cosmically. It is not a rigid code but a dynamic framework that balances rights with responsibilities and power with restraint. Crucially, '*Dharma*' is neither gender-exclusive nor hierarchical in its conception of human worth.

The *Mahabharata* offers one of the most explicit articulations of this principle. In its reflections on social order, the text asserts that societies prosper where women are honoured and decline where they are dishonoured. This is not a poetic exaggeration but a structural insight; women are portrayed as bearers of lineage, transmitters of values, and stabilizing forces within familial and institutional systems. When their dignity is compromised, the moral fabric of society unravels. Acharya Madhwa in his *Mahabharata Tatparya Nirnaya* states:

***Kanyodita Bata kuladvaitaarineeti Jaaya sakheti vachanam shrutigam sutascha***

When a girl is born, she eventually emancipates two households or lineages, *viz.*, the one in which she is born and the one she sets foot in after marriage. The usage of the word *kuladvaitaarinee* is redolent of a salutary role.

This understanding has direct resonance with modern governance theory. Ethical governance is sustained not merely through formal rules but through shared values, trust and legitimacy. Institutions that exclude women from leadership and decision-making violate the principle of fairness that underpins stakeholder confidence. From a dharmic perspective, gender inclusion is not charity or corrective action; it is an essential condition for institutional integrity.

In corporate settings, this insight challenges compliance-driven approaches to diversity. Quotas and disclosures, while important, cannot substitute for a deeper ethical commitment to inclusion. Just as *Dharma* cannot be enforced solely through punishment, inclusion cannot be sustained solely through policy. Both require internalization at the level of culture and leadership.

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### WOMEN, AGENCY AND MORAL AUTHORITY IN THE MAHABHARATA

The *Mahabharata* stands apart among world epics for the moral and intellectual agency it accords to its female characters. Women in the epic are not silent spectators of history but active participants in ethical deliberation and political consequence. Their voices frequently articulate truths that male-dominated assemblies ignore at great cost.

#### *Draupadi and Procedural Justice*

Draupadi's interrogation of the *Kuru* assembly during the infamous dice hall episode constitutes one of the earliest recorded critiques of procedural injustice. Her question that whether Yudhishthira retained the moral and legal right to stake her after losing himself cuts to the heart of legitimacy and authority. The failure of the assembly to answer her exposes the hollowness of a governance structure that prioritizes power over justice.

Equally significant is the silence of elders such as Bhishma and Drona. Their inaction demonstrates how institutional complicity sustains injustice even in the presence of moral knowledge. The *Mahabharata* thus presents exclusion not merely as an act of oppression but as a systemic failure enabled by apathy and misplaced loyalty.

Modern corporate scandals often reveal similar dynamics. Governance failures rarely stem from the absence of rules; they arise when boards and leadership teams suppress dissent, ignore inconvenient questions or privilege hierarchy over accountability. Gender-diverse boards, by contrast, are empirically shown to encourage broader deliberation and ethical scrutiny. Draupadi's voice, silenced in the epic, finds its modern analogue in whistle-blowers, independent directors and women leaders who challenge flawed decisions.

#### *Kunti and Gandhari: Strategic Wisdom and Ethical Restraint*

Kunti exemplifies strategic foresight and moral intelligence. Her guidance to the Pandavas consistently balances ambition with restraint, urging adherence to *dharm*a even under provocation. Gandhari, though aligned with the Kauravas by circumstance, emerges as a powerful moral critic of *adharma*. Her warnings to Duryodhana underscore the ethical blindness that accompanies unchecked power.

The epic's tragedy lies not in the absence of wise counsel but in its rejection. The *Mahabharata* thus offers a cautionary lesson: systems collapse not because wisdom or sage counsel are unavailable but because inclusive voices are ignored. This lesson is acutely relevant for corporate leadership, where strategic failures often result from homogenous thinking and the marginalization of alternative perspectives.

### SPIRITUAL EQUALITY AND SOCIAL DIGNITY IN THE BHAGAVATA PURANA

The *Shrimad Bhagawatam* advances a radically inclusive vision through its theology of *bhakti*. Devotion, knowledge and spiritual realization are not restricted by gender, caste or social status. This spiritual egalitarianism has profound social implications, dismantling the moral basis for exclusion.

Kunti's prayers in the *Shrimad Bhagawatam* reveal philosophical depth, humility and moral clarity. Far from portraying her as a passive devotee, the text presents her as a thinker capable of profound theological insight. Similarly, the *Gopikas* of Brindavana are elevated as exemplars of the highest devotional consciousness, surpassing even sages in their spiritual intimacy with the divine.

By affirming the ontological similarity of all souls (*jivas*), the *Bhagawatam* delegitimizes exclusionary hierarchies.

Women are not beneficiaries of spiritual grace by exception; they are authoritative participants in the highest form of religious life. This theological stance implicitly critiques social systems that deny women agency and voice.

In organizational contexts, this insight translates into a recognition that leadership potential, ethical insight and strategic capability are not gendered attributes. Inclusive cultures emerge not through tokenism but through an authentic acknowledgment of competence and contribution. Just as *bhakti* transcends social boundaries, sustainable institutions transcend narrow definitions of leadership.

### ACHARYA MADHWA AND DVAITA VEDANTA: DIFFERENCE WITHOUT HIERARCHY

Acharya Madhwa's Dvaita Vedanta offers a philosophically rigorous framework for understanding inclusion without homogenization. Acharya Madhwa affirms real difference (*bheda*) between souls while simultaneously asserting their equal eligibility for devotion, knowledge and liberation. Distinction does not *ipso facto* imply inferiority.

Central to Acharya Madhwa's thought is the concept of *adhikara*, fitness or eligibility determined by disposition, effort and moral orientation rather than by gender or birth. Women are not excluded from spiritual pursuit or intellectual engagement; access is based on capability, not identity. This nuanced understanding avoids both rigid egalitarianism and oppressive hierarchy.

Contemporary discussions on diversity and inclusion often confront similar dilemmas. Genuine equity does not require everyone to think or operate in the same way; it merely calls for fair opportunities and acknowledgment of individual strengths. Workplace initiatives that recognize varied leadership approaches, different career paths and the unique experiences people bring tend to reflect this spirit far more authentically. In many ways, this understanding resonates with the Dvaitic perspective articulated by Acharya Madhwa, which upholds and underlines individuality without diluting dignity. His philosophical approach offers a thoughtful counter to diversity practices that focus only on surface level representation without deeper cultural change.

### GENDER REPRESENTATION, CORPORATE GOVERNANCE AND ESG FRAMEWORKS

Modern corporate governance increasingly acknowledges that gender diversity plays a meaningful role in strengthening organizational performance and longterm sustainability.

Empirical research demonstrates that gender-diverse boards exhibit stronger monitoring, enhanced ethical sensitivity and improved long-term strategic orientation. These findings challenge outdated assumptions that diversity compromises efficiency.

The Organization for Economic Co-operation and Development (OECD) has explicitly linked board gender diversity to improved governance outcomes, risk oversight and decision-making quality. In India, regulatory frameworks

such as the Securities and Exchange Board of India's Business Responsibility and Sustainability Reporting mandate disclosures on gender diversity and inclusive workplace practices. These requirements embed gender inclusion within the architecture of corporate accountability.

Academic research further supports this regulatory focus. Adams and Ferreira show that women directors tend to strengthen board oversight through more attentive and rigorous monitoring. Similarly, Carter and his coauthors find a positive link between gender diverse boards, firm performance and innovation. Together, these findings echo a lesson long embedded in the *Mahabharata*: when institutions close themselves off to diverse viewpoints, they weaken their own capacity to function effectively.

Yet numbers alone do not guarantee genuine inclusion. Appointing women without giving them real influence merely creates the appearance of diversity while preserving existing power structures. For governance to be truly sustainable, women must not only be present in decision making spaces but must also be able to speak, be heard and shape outcomes with authority and respect.

### INCLUSION, STAKEHOLDER THEORY AND LONG TERM VALUE CREATION

Stakeholder theory broadens the purpose of the corporation beyond shareholder interests, emphasizing the need to balance the expectations of multiple groups. Under this approach, trust, legitimacy and lasting value arise from governance practices that recognize and include all stakeholders rather than operate through narrow or extractive methods.

Gender inclusive leadership fits naturally within this framework. Studies show that women leaders often bring heightened sensitivity to issues such as employee welfare, community impact and ethical considerations. These attributes are not tied to gender alone, but reflect the broader perspectives shaped by lived experience and diverse social realities.

Classical Indian thought offers a parallel insight. The *Mahabharata* evaluates rulers not by the extent of their power but by how responsibly and fairly they exercise it. In much the same way, modern corporations are judged increasingly on their ethical standing and societal legitimacy, and not solely on financial performance.

### GENDER, RISK, ETHICS AND THE PREVENTION OF INSTITUTIONAL FAILURE

A critical yet often overlooked dimension of gender inclusion is its role in reducing ethical and institutional risk. Corporate failures, whether financial collapses, governance breaches or broader systemic crises, rarely occur due to technical shortcomings alone. More commonly, they arise from cultures where dissent is discouraged, ethical judgment is muted and decision making is dominated by narrow perspectives.

Ancient Indian texts demonstrate a sophisticated awareness of this dynamic, repeatedly portraying exclusion as a precursor to catastrophe rather than a neutral organizational choice.

The *Mahabharata* offers a striking illustration of this principle through its depiction of the *Kuru* assembly. The moral collapse of the court does not occur because knowledge is absent, but because conscience is sidelined. Draupadi's humiliation is enabled not only by Duryodhana's

malice but, more importantly, by the collective failure of the assembly to intervene. Bhishma's silence, justified through technical adherence to oath-bound duty, exemplifies how proceduralism divorced from ethics and spirit accelerates institutional decay. The epic thus foretells a modern governance insight: legality *sans* legitimacy is unsustainable.

Contemporary governance literature echoes this warning. Empirical studies suggest that gender-diverse leadership teams are more likely to identify ethical risks early, challenge aggressive risk-taking and prioritize long-term stability over short-term gains. This is not because women are inherently more ethical, but because diversity disrupts homogenous thinking patterns that normalize excesses. Inclusion introduces friction into decision-making processes, and such friction, when institutionally respected, functions as a safeguard against systemic failure.

From an ESG perspective, this insight is particularly salient. Environmental and social risks are often underweighted in traditional financial analysis precisely because they are diffuse, long-term and uncomfortable to confront. Gender-inclusive governance structures are more likely to surface these concerns, integrate stakeholder impacts into strategy and resist the temptation to externalize costs onto society. In this sense, inclusion operates as a risk-mitigation mechanism rather than a moral ornament.

Acharya Madhwa's emphasis on individual accountability further reinforces this point. Dvaita Vedanta rejects the notion that ethics can shift with circumstance or collective pressure. It holds individuals accountable for their choices, regardless of the environment around them. When applied to corporate governance, this principle challenges organizational cultures that prize compliance and silence over courage and integrity. Workplaces that genuinely value gender inclusion naturally create room for varied viewpoints, reducing the isolation and moral disengagement that often allow unethical behaviour to take root.

Seen this way, gender equality is not simply correlated with better outcomes – it plays a structural role in preventing ethical drift. Institutions committed to long term health are those that build systems capable of listening to difficult truths and acting on them before they escalate into crises.

## GENDER EQUALITY AND INTERGENERATIONAL SUSTAINABILITY

Sustainability, by its very nature, looks beyond the present. The decisions that are made now will shape the opportunities, risks and social landscape inherited by future generations. Ancient Indian thought places strong emphasis on continuity of values, ethics and collective memory, not just of family lines.

Women have always played a central role in carrying forward these values. When empowered, they help strengthen the ethical foundation of society and enhance its ability to adapt. When excluded, however, societies lose critical social capital and risk perpetuating inequities across generations.

In the corporate sphere, this understanding highlights the importance of developing inclusive talent pipelines, creating fair succession planning processes and investing in the leadership development of women. Organizations that do so are better positioned to innovate, endure and remain relevant. Gender equality thus becomes an essential component of sustainable value creation, not an optional add-on.

## CONCLUSION

Both ancient Indian wisdom and modern sustainability frameworks underscore the same fundamental truth: exclusion weakens the system. Gender equality, representation and inclusion are not peripheral ideals; they are essential to ethical legitimacy and enduring institutional strength. The *Mahabharata* cautions against the dangers of silencing women's voices. The *Shrimad Bhagawatam* affirms the inherent spiritual equality of all individuals. Acharya Madhwa's philosophy reinforces the idea that difference or gradations do not diminish dignity.

For today's organizations, these insights offer far more than cultural resonance; they form a practical foundation for governance rooted in fairness, balance and inclusion. A sustainability agenda that overlooks gender equity becomes fragile and ultimately unsound. A genuinely sustainable future requires integrating these timeless principles into modern governance, ensuring that inclusion is not just stated in policy but lived in practice and purpose.

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# Gender Equality, Representation, and Inclusion: Core Elements of a Sustainable Future

The conversation around gender equality in the workplace and the representation of women on corporate boards has been ongoing for quite some time. India's legal framework has promoted equitable treatment and representation of women in corporate leadership roles. However, the genuine impact of women in everyday business operations becomes evident when they are provided with equal opportunities. Nowadays, investors around the world are increasingly attracted to organizations that adhere to best practices regarding diversity, independence, and skill diversity.



**CS Avani Sompura, ACS**

Company Secretary  
Khimji Ramdas India Pvt. Ltd., Gujarat  
[jethwaavanir@gmail.com](mailto:jethwaavanir@gmail.com)

## INTRODUCTION

**S**ustainable value creation now depends on whether organisations expand opportunity, representation, and inclusion to the full breadth of available talent. Gender inclusion correlates with healthier pipelines, more resilient decision-making, and stronger oversight. Yet the path to influence remains narrow; although women now account for a substantial share of the global workforce, they continue to comprise only about a third of senior leadership roles worldwide. In India, women's share of Board seats across large, listed groups remains around one-fifth better than a decade ago.

For Company Secretaries and boards, these patterns translate into governance priorities:

- (i) Ensuring that equality is measurable (with targets and transparent reporting).
- (ii) Building representative leadership pipelines (beyond the "single woman director" threshold), and
- (iii) Embedding inclusion into risk, audit, and nomination charters so that culture and conduct are proactively supervised.

## BRIEF ON LEGAL FRAMEWORK

India's legal framework lays down a strong foundation to safeguard dignity, safety, and equality in the workplace. Two major statutory pillars:

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

The POSH Act imposes clear, actionable obligations on employers to create and maintain a safe and respectful work environment. Under this law:

- Every organisation with 10 or more employees must establish an Internal Committee (IC) responsible for receiving and investigating complaints of sexual harassment.
- The POSH Act mandates strict due process, including time-bound inquiries, confidentiality protections, and impartial decision-making.
- Organisations must compile an Annual Report detailing the number of complaints received, resolved, pending, workshops conducted, and actions taken, and submit it to the District Officer, making POSH a compliance requirement rather than a mere policy guideline.
- This statutory structure ensures that companies cannot rely solely on written policies; they must demonstrate that those policies are functioning effectively in practice.

- (ii) Companies (Accounts) Rules, 2014 and the Second Amendment:

To strengthen accountability at the highest levels, the Ministry of Corporate Affairs integrated workplace safety compliance into corporate reporting obligations:

- Since 2014, companies have been required to include a statement confirming POSH compliance in their Board's Report.
- The Companies (Accounts) Second Amendment Rules, 2025 has significantly expanded this obligation. Under these revised rules, the Board's Report must now disclose the number of sexual harassment complaints received during the financial year, number of complaints disposed of, number of cases pending beyond 90 days, and organisation's compliance with maternity benefit provisions.

Together, the POSH Act and the enhanced Companies Act disclosure framework ensure that:

- Boards are directly accountable for maintaining a safe, inclusive workplace.
- Compliance moves from policy-based intent to evidence-based verification.
- Organisations must maintain proper records, conduct awareness programmes, resolve cases promptly, and reflect these actions transparently in statutory filings.
- Gender equality becomes part of governance, culture, and annual reporting not an optional HR initiative.

In essence, India's legal framework pushes companies toward measurable inclusion, ensuring that employee safety and dignity are upheld not only in principle but also in everyday practice.

### REPRESENTATION: FROM PRESENCE TO INFLUENCE

Just having diversity written in policies is not the same as having real influence in day-to-day work. True representation becomes visible in three ways:

1. Who sits or actively participates in key decision-making positions?
2. How openly and effectively people can share their views? and
3. Whether the organisation creates fair career opportunities for everyone to grow?

In India, after years of efforts to promote gender balance, most listed companies now have at least one woman director on their boards because the Companies Act, 2013 (Section 149(1)), along with Rule 3 of the Companies (Appointment and Qualification of Directors) Rules, 2014, makes it mandatory for every listed company and certain large public companies to appoint at least one woman director. However, studies show that women still make up only about 19-20% of total Board seats, and the number of women serving as executive directors, the roles with real operational authority remains very low.

Boards can convert representation into influence through tangible steps like rotate committee chairships to ensure gender diverse leadership, disclose the gender mix of key committees, and develop multi-year internal "board ready" programs that pair high potential leaders with targeted experience in profit and loss, risk, technology, and stakeholder engagement. Such measures do more than signal intent, they change the texture of oversight and the organisation's tolerance for blind spots.

### EQUALITY IN PRACTICE: HIRING, PAY, AND PROGRESSION

Equality begins at entry but is won or lost at transitions. The evidence around the world points to a broken rung

- at first line management; if women are not promoted into their first supervisory roles at equitable rates, senior leadership will continue to bias male even if entry level hiring is balanced. This is why boards and leadership teams must treat early career progression as a strategic priority not merely an HR process. Effective governance begins by asking the right, data driven questions.

- Are women being promoted to first line manager roles at the same rate as men? Small deviation at this level, when multiplied over several years, leads to heavily skewed senior leadership demographics.
- What is the median pay gap by grade, function, and tenure? Pay inequity, even if unintentional, is often rooted in inconsistent promotion, role allocation, or performance evaluation practices.
- How many women hold roles with profit and loss responsibility? Because P&L roles typically feed into the executive slate, the absence of women in these positions directly affects representation in top leadership.

Evidence from global assessments shows that women occupy only a minority of senior leadership roles worldwide, reinforcing the need for stronger pipelines.

These questions enable boards to look beyond surface level diversity and instead analyse the systemic patterns that shape who advances and who does not.

### STRENGTHENING OVERSIGHT: THE ROLE OF THE NRC AND AUDIT COMMITTEE

To address these structural gaps, the board through its committees, must embed equity into governance systems:

- (i) Nomination & Remuneration Committee (NRC)

The NRC plays a central role in dismantling the "broken rung." It should:

- oversee annual pay equity audits, ensuring discrepancies are identified, explained, and corrected;
- require diverse candidate slates for all critical leadership positions, ensuring that promotions and succession planning processes consider equally qualified women; and
- Standardise performance evaluation criteria, focusing on clear, job relevant metrics rather than outdated assumptions such as physical presence or long working hours factors that disadvantage women.

A calibrated approach ensures that talent decisions are fair, consistent, and free from bias.

## ii. Audit Committee

The Audit Committee must reinforce the integrity of people data by:

- reviewing internal control systems around HR, payroll, and performance evaluation data;
- testing the reliability and diversity related disclosures, especially as investors increasingly scrutinise these indicators within sustainability and ESG reports; and
- ensuring that data used for public reporting matches internal practices and is backed by proper documentation.

With investors globally focusing more on workplace equity as part of corporate value, rigorous controls around people metrics are now as essential as those around financial reporting.

Together, these measures help organisations move beyond symbolic commitments to equality. They ensure that women have equitable access to leadership pathways, that advancement is determined by merit rather than structural barriers, and that companies maintain transparency and credibility in their reporting.

By strengthening early career transitions and embedding fair evaluation practices, boards can correct the broken rung, build stronger leadership pipelines, and demonstrate that inclusion is a measurable, governable priority not an aspirational slogan.

Boards should ask the NRC to oversee annual pay equity audits, require diverse candidate slates for critical roles, and insist that performance evaluation rely on calibrated, job relevant criteria rather than proxies like constant physical presence. The Audit Committee, for its part, can review internal control maps around people's data and test the reliability of disclosures that investors increasingly scrutinize in sustainability reports.

### METRICS: A BOARD DASHBOARD

A concise periodic dashboard enables oversight without drowning boards in data. Suggested indicators include:

- representation by bands and by functions (specific on P&L pathways);
- promotion, hiring, and attrition rates by gender at first line manager and above;
- pay equity gaps by grade, function and corrective actions;
- training coverage for managers on inclusion and respectful conduct; and
- complaints handling efficiency and pendency (as applicable to disclosures).

Dashboards should be tied to time-bound targets and appear in NRC performance dialogues so that accountability is visible.

### INVESTOR EXPECTATIONS AND MARKET COMPARATORS

Global investors are increasingly applying a comparative lens across geographies when evaluating corporate boards, examining not just whether companies meet regulatory baselines but how they perform relative to global best practices in diversity, independence, and skill composition.

Cross-market studies and various leadership-advisory reports show a clear divergence: developed markets continue to make steady progress in female board representation, while emerging markets are improving more gradually and often unevenly. These comparisons are becoming part of mainstream investment analysis, influencing institutional voting guidelines, stewardship expectations, and capital-allocation decisions.

In India, external scrutiny conveys a dual message. First, companies must move beyond a compliance only mindset, such as merely meeting the mandatory requirement of one woman director to clear and execute a credible path that aligns board diversity with global medians and peer market trajectories. Second, investors are no longer satisfied with headcount based metrics alone. They expect deeper indicators of influence and integration. Women in meaningful committee roles, succession pipelines that include executive pathways, and more transparent disclosures about board skills, evaluation processes, and future readiness.

In essence, the shift is from representation to impact, from checking the box to demonstrating that board diversity enhances strategic oversight, risk governance, and long-term value creation.

### OPERATING MODEL FOR COMPANY SECRETARIES: FROM POLICY TO PROOF

Company Secretaries play a pivotal role in translating the Board's commitment to gender equality and inclusion into consistent, measurable, and organisation wide practice. Their responsibility goes beyond drafting policies, they ensure these policies function effectively in real situations, remain compliant with law, and support long-term cultural change. Following expanded framework outlines how Company Secretaries can operate this mandate:

- Integrate Inclusion Metrics into the Annual Board Calendar:** Inclusion cannot be treated as an isolated HR activity; it must become part of the organisation's formal governance cycle. This means:

India's legal framework pushes companies toward measurable inclusion, ensuring that employee safety and dignity are upheld not only in principle but also in everyday practice.

- Scheduling periodic reviews of gender representation, promotion trends, retention patterns, and pay equity alongside financial reviews;
- Ensuring inclusion related updates appear as recurring agenda items for the Board, Nomination & Remuneration Committee, and Audit Committee.
- Aligning these reviews with statutory filings and year-end disclosures so that inclusion data is tracked with the same rigour as financial metrics.
- changes in gender representation across leadership pipelines;
- identified risks, such as rising attrition among women at mid-management levels or skewed promotion rates;
- progress on commitments made in previous meetings; and
- regulatory updates or upcoming compliance changes.

These briefings allow Committee Chairs to anticipate risks early, guide management action, and ensure inclusion efforts stay aligned with the company's long-term strategy.

This signals that inclusion outcomes are not optional, they are essential to organisational performance and leadership accountability.

This structured approach transforms inclusion from a one-time initiative into a sustained governance discipline. By committing these practices, Company Secretaries help to ensure that:

(ii) **Establish Cross-Functional Ownership for Data Integrity:** Reliable inclusion reporting requires contributions from multiple functions. Company Secretaries should:

- create a structured collaboration model between HR, Legal, Internal Audit, and wherever applicable, ESG and Sustainability teams;
- define clear data owners for each metric such as hiring statistics, promotion and attrition data, representation across levels, and complaints handling indicators; and
- set verification checkpoints where Internal Audit validates the accuracy and completeness of inclusion related datasets before they reach the Board or external stakeholders.
- inclusion metrics survive leadership transitions;
- accountability is embedded across the organisation;
- data quality and disclosure readiness remain strong year after year; and
- the Board is equipped with accurate insights to drive meaningful cultural change.

These steps are practical, and future ready, enabling companies to move confidently from policy commitments to measurable proof of progress.

Company Secretaries can translate board intent into durable systems by anchoring five practices as follows:

(iii) **Create a Public Facing “Inclusion Snapshot” for Transparency:** A concise, easy to understand Inclusion Snapshot published on the company's website increases transparency and trust. This may include:

- gender diversity percentages across different employee levels;
- composition of Board and Committee;
- key initiatives undertaken during the year; and
- aggregate data on training coverage or grievance redressal measures (without compromising confidentiality).
- (i) Integrate inclusion metrics into the annual board calendar alongside financial closes and statutory filings.
- (ii) Establish cross-functional ownership between HR, Legal, and Internal Audit for data integrity.
- (iii) Commission an independent review of complaint handling and culture indicators.
- (iv) Ensure website level transparency through a “Inclusion Snapshot”.
- (v) Brief Committee Chairs periodically on key shifts in representation and risk.

These steps are pragmatic, replicable, and resilient to leadership changes.

By openly communicating progress and areas for improvement, organisations demonstrate sincerity rather than treating inclusion as a checklist requirement.

## BRIEF COMMITTEE CHAIRS ON SHIFTS IN REPRESENTATION AND RISK

## LOOKING OUTWARD: SOCIETY, POLICY, AND THE LONG TIMELINE TO PARITY

Company Secretaries should provide strategic briefings to the chairs of critical committees, especially the NRC, Audit Committee, and CSR Committee covering:

The 2024 global parity reading at 68.5% reminds the boards that progress can stall unless organisations actively design for inclusion. Political empowerment and economic participation remain the widest gaps worldwide, and the estimated time to parity about 134 years means today's

boards are accountable for accelerating change within their spheres of control, not waiting for macro forces to do the work.

Boards today must recognize that inclusion is not solely a social expectation but a leadership responsibility, directly tied to long-term sustainability, organisational resilience, and equitable growth. Because corporate environments influence employees, suppliers, customers, and communities, Boards have an outsized ability to accelerate progress within their sphere of control, even when macro level change remains slow. This includes setting transparent diversity goals, ensuring fair opportunities for leadership progression, addressing structural barriers in hiring and promotion, and embedding inclusion into governance practices.

Equally important is the understanding that organisations do not operate in isolation. Public trust is shaped by how companies respond to broader societal issues, such as gender based discrimination, unequal access to opportunities, and historical biases that have limited women's participation in politics and the economy. By proactively designing inclusive cultures and equitable leadership pathways, boards send a strong signal that they intend to lead change rather than just follow it.

In short, the long global timeline to parity should not discourage action, it should strengthen it. While structural inequality remains a worldwide challenge, boards hold concrete levers that can significantly compress the timeline within their own organisations. Their role is not to wait for societal transformation but to contribute to it through consistent, measurable, and accountable inclusion strategies. Through such leadership, companies can help shift global trends in a meaningful direction, even if the broader world remains years or decades behind.

## CONCLUSION

A classic Sanskrit maxim captures the societal imperative: "स्त्रीपुंसयोः समानता समाजस्य शोभा।" which means "Equality of Women and Men is the Beauty of the Society". In corporate life, these ideal forms the foundation for resilience and long-term value. For Indian boards, the responsibility is to ensure safety and dignity, broaden participation, provide fair pay, and convert representation into real influence. What will now set leaders apart is their ability to turn inclusion from a Goal into a Reality!

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# Gender Diversity: Strengthening the “S” in ESG – From Compliance to Corporate Strategy

The ESG paradigm has transitioned from a voluntary sustainability initiative to a mainstream corporate governance benchmark. Institutional investors, global funds, credit rating agencies, and regulators now evaluate companies through ESG metrics, linking sustainability with capital allocation. Within this framework, the “Social” pillar assesses how corporations manage relationships with employees, customers, communities, and society at large. It encompasses labour practices, diversity and inclusion, human rights, community development, and workplace ethics.



**CS Sneha Srivastava, ACS**

Practising Company Secretary  
Delhi  
[snehasri2228@gmail.com](mailto:snehasri2228@gmail.com)

## INTRODUCTION: REIMAGINING THE “S” IN ESG

**E**SG integration is no longer limited to sustainability reporting but has evolved into a governance-linked performance parameter influencing enterprise valuation.

Social capital, particularly workforce diversity, is increasingly being recognised as an intangible asset impacting organisational resilience.

Gender diversity has emerged as a central indicator within this pillar because it reflects:

- Equality of opportunity.
- Fair representation in decision-making.
- Inclusive organizational culture.
- Ethical corporate conduct.

In the Indian context, gender diversity has evolved from a moral aspiration to a statutory obligation. Yet the true transformation lies not in numerical representation but in equitable participation and leadership empowerment.

The contemporary ESG discourse reflects an increasing transition from financial performance-based corporate evaluation towards broader sustainability-oriented governance frameworks. While environmental considerations have historically dominated sustainability

narratives, the Social (“S”) dimension is progressively being recognised as an equally significant determinant of long-term corporate resilience. The social pillar addresses the manner in which organisations manage human capital, institutional relationships, and workplace equity, thereby directly influencing organisational culture, ethical conduct and stakeholder trust.

In contrast to environmental governance metrics that are often quantifiable through technological and operational indicators, social sustainability is inherently linked to organisational behaviour, leadership inclusivity and decision-making processes. As a result, diversity and inclusion—particularly gender diversity—have emerged as measurable proxies for assessing internal governance quality and institutional maturity within corporate structures.

The increasing emphasis on stakeholder capitalism has further expanded the scope of governance evaluation beyond financial returns to encompass social legitimacy and ethical accountability. Corporations are now expected to demonstrate responsible business conduct through equitable representation in leadership, transparent employment practices and inclusive organisational policies. Gender-diverse leadership structures contribute towards cognitive heterogeneity within boards, enabling multi-dimensional evaluation of strategic alternatives and strengthening oversight mechanisms.

The growing convergence between regulatory mandates and market-driven accountability has transformed gender diversity from a voluntary corporate responsibility initiative into a governance-linked performance parameter. Statutory requirements relating to board composition, coupled with disclosure obligations under sustainability reporting frameworks, signify an institutional acknowledgement of diversity as an economic enabler rather than merely a social aspiration.

Accordingly, the Social pillar of ESG is being reinterpreted not only as a measure of workforce welfare but as a strategic instrument facilitating balanced risk assessment, ethical decision-making and stakeholder-centric governance. Organisations embedding gender diversity within leadership structures are more likely to demonstrate adaptability, reputational legitimacy and sustained value creation in an increasingly dynamic corporate environment.

## CONCEPTUAL FOUNDATIONS OF GENDER DIVERSITY IN CORPORATE GOVERNANCE

Gender diversity in corporate governance extends beyond the appointment of women directors. It encompasses:

1. Representation – Presence of women at board and managerial levels.
2. Participation – Active involvement in deliberations and strategy.
3. Influence – Meaningful contribution to policy direction.
4. Equity – Equal pay, growth opportunities, and workplace safety.

Diversity enhances cognitive heterogeneity within boards, enabling multi-dimensional evaluation of strategic alternatives.

Gender diversity in corporate governance must be understood as an institutional governance mechanism rather than merely a demographic characteristic of board composition. The presence of women in leadership roles introduces diversity in cognitive perspectives, professional experiences, and ethical orientations, thereby enhancing the deliberative quality of decision-making processes within corporate boards.

The conceptual foundation of gender diversity therefore extends beyond representational parity to encompass leadership participation, policy influence and equitable access to organisational resources.

Inclusive governance structures contribute to enhanced ethical sensitivity, improved stakeholder engagement and greater alignment between corporate objectives and sustainability-driven performance indicators.

Consequently, gender diversity functions as both a social equity instrument and a governance efficiency enabler, reinforcing organisational resilience in dynamic regulatory and market environments.

Thus, gender diversity is both a social justice concern and a governance efficiency tool.

## LEGAL AND REGULATORY FRAMEWORK IN INDIA

India has adopted a combination of statutory mandates, listing regulations and disclosure-based governance frameworks to institutionalise gender diversity within corporate leadership and workforce structures.

### 1. Companies Act, 2013

Section 149(1) of the Companies Act, 2013 mandates prescribed classes of companies to appoint at least one woman director on their Board.

Rule 3 of the Companies (Appointment and Qualification of Directors) Rules, 2014 extends this requirement to:

- a. Listed companies.
- b. Public companies with:
  - ◆ Paid-up share capital of ₹100 crore or more, or
  - ◆ Turnover of ₹300 crore or more.
- c. This provision seeks to introduce gender inclusivity at the highest decision-making level.
- d. Mandatory appointment has contributed towards structural diversification of boards that were traditionally promoter-dominated.
- e. Inclusion of women directors enhances deliberative quality in strategic and governance matters.

### 2. SEBI (LODR) Regulations

The Securities and Exchange Board of India strengthened this initiative by requiring specified listed entities to appoint at least one independent woman director under the Listing Obligations and Disclosure Requirements (LODR), 2015.

- a. Regulation 17 of SEBI (LODR) Regulations mandates specified listed entities to appoint at least one independent woman director.
  - Top listed companies (by market capitalisation) are required to maintain independent women representation to strengthen governance oversight.
  - This requirement reduces the risk of token appointments by promoter groups.
- b. Independent women directors contribute to:
  - ◆ Objective monitoring of management decisions.
  - ◆ Improved audit committee effectiveness.
  - ◆ Enhanced transparency in governance practices.

### 3. Business Responsibility and Sustainability Reporting (BRSR)

The Ministry of Corporate Affairs introduced BRSR as part of India's evolving ESG disclosure framework.

Under BRSR, companies must disclose:

- a. Gender-wise workforce composition;
- b. Women representation in top management;
- c. Gender pay gap information;
- d. Maternity benefits and return-to-work rates;
- e. POSH compliance metrics.

Appointment of women directors has shifted board composition from promoter-dominated to professionally diversified structures. Independent woman directors

The Social pillar of ESG is being reinterpreted not only as a measure of workforce welfare but as a strategic instrument facilitating balanced risk assessment, ethical decision-making and stakeholder-centric governance.

strengthen the audit committee functioning through unbiased oversight. Regulatory disclosure mandates under BRSR facilitate comparability of gender metrics across industry sectors.

#### 4. National Guidelines on Responsible Business Conduct (NGRBC), 2019

- a. Issued by the Ministry of Corporate Affairs, NGRBC emphasises inclusive growth and equitable workplace practices.
- b. Principle 3 of NGRBC promotes employee well-being, non-discrimination and equal opportunity.
- c. The guidelines encourage corporates to adopt diversity-driven human resource policies aligned with ESG objectives.

#### 5. Prevention of Sexual Harassment (POSH) Act, 2013

- a. The POSH Act mandates constitution of an Internal Complaints Committee (ICC) in organisations employing ten or more persons.
- b. Employers are required to ensure:
  - Safe working environment.
  - Gender-sensitive grievance redressal mechanism.
  - Periodic awareness programmes.
  - Workplace safety forms an essential component of social sustainability under ESG frameworks.

#### 6. Equal Remuneration and Labour Welfare Legislations

- a. The Code on Wages, 2019 mandates non-discriminatory remuneration practices.
- b. Organisations are required to ensure equal pay for equal work irrespective of gender.
- c. Compliance with compensation equity principles strengthens workforce governance.

#### 7. ESG-Linked Regulatory Developments

- a. SEBI’s evolving ESG disclosure norms increasingly integrate diversity indicators within sustainability reporting frameworks.
- b. Gender diversity metrics are gradually being recognised as governance performance indicators by investors and rating agencies.
- c. Regulatory emphasis is shifting from policy declarations to outcome-based reporting.

## GENDER DIVERSITY AND BOARD EFFECTIVENESS

Diversity reduces groupthink—a phenomenon where homogeneity discourages dissenting views. Women directors often bring distinct leadership experiences and stakeholder perspectives, enhancing deliberative quality.

Board diversity supports long-term sustainability strategy by incorporating broader stakeholder expectations. Companies with inclusive boards often demonstrate improved compliance culture.

Board effectiveness is intrinsically linked to the quality of oversight, independence of judgement and diversity of perspectives within the governing body. Gender diversity contributes to strengthening these dimensions by enhancing the breadth and depth of boardroom deliberations. Inclusion of women directors introduces varied experiential insights, leadership approaches and stakeholder sensitivities, thereby facilitating balanced evaluation of strategic alternatives.

Gender-diverse boards are often associated with improved monitoring of executive decision-making due to increased independence in board dynamics. Women directors may contribute to strengthening committee-level governance, particularly within audit, nomination and remuneration, and risk management committees, by promoting objective assessment of financial disclosures, executive compensation structures and enterprise risk frameworks.

Inclusive board composition also enhances the board’s ability to evaluate ESG-linked risks and opportunities. Diversity in leadership perspectives supports comprehensive assessment of sustainability investments, workplace governance policies and social impact initiatives, thereby aligning corporate strategy with stakeholder expectations.

Further, heterogeneous boards tend to foster constructive dissent and reduce the prevalence of conformity-driven decision-making processes. By encouraging open dialogue and critical evaluation, gender diversity mitigates the risk of groupthink, thereby improving the quality of governance outcomes and strategic decision-making.

From an institutional governance standpoint, gender-balanced boards contribute to enhanced reputational legitimacy and investor confidence. Stakeholders increasingly perceive inclusive leadership structures as indicative of ethical governance practices and long-term organisational stability.

In addition, diversity within board leadership may improve succession planning frameworks by promoting merit-based leadership development and equitable access to executive roles. This supports continuity in governance practices and strengthens organisational adaptability in dynamic regulatory environments.

Accordingly, gender diversity enhances not only representational equity but also functional board performance by improving oversight mechanisms, risk governance and stakeholder responsiveness.

## INVESTOR PERSPECTIVE AND ESG SCORING

Global investors increasingly integrate gender metrics into investment decisions.

Institutional investors examine:

- Percentage of women directors.
- Gender pay equity.
- Leadership pipeline data.
- Diversity targets.

In recent years, institutional investors have increasingly incorporated ESG considerations into their investment appraisal frameworks, recognising sustainability indicators as determinants of long-term enterprise value. Gender diversity within corporate leadership has emerged as a material governance metric influencing ESG ratings assigned by global sustainability assessment agencies.

Investors now examine diversity-related disclosures as part of their stewardship responsibilities, particularly in assessing the effectiveness of board oversight and organisational commitment to inclusive governance practices. Indicators such as representation of women on boards, participation in senior management roles, gender pay equity policies, and leadership development initiatives are evaluated as proxies for governance transparency and workforce sustainability.

ESG rating agencies integrate these diversity parameters into composite governance scores that influence investment risk assessment. Companies demonstrating limited gender representation in leadership positions may be perceived as possessing weaker internal governance mechanisms, potentially affecting their ESG rankings and attractiveness to sustainability-focused investment funds.

Furthermore, asset managers and proxy advisory firms often utilise diversity metrics while formulating voting recommendations on board appointments and executive compensation policies. Inadequate representation of women directors may invite shareholder activism or negative stewardship commentary, thereby exerting reputational pressure on corporate management. Consequently, gender diversity is increasingly being viewed by investors not merely as a social responsibility initiative but as a governance-linked performance parameter influencing capital allocation decisions, cost of funds and long-term financial stability. Thus, gender diversity directly influences capital access and cost of funds.

## ECONOMIC AND FINANCIAL IMPLICATIONS

Gender-inclusive leadership promotes balanced risk-taking behaviour. Gender diversity within corporate leadership structures has significant economic implications extending beyond social inclusion objectives. Diverse management teams are often associated with improved organisational adaptability, as varied perspectives enable more comprehensive evaluation of market opportunities, operational risks and strategic investments.

From a financial governance standpoint, gender-inclusive boards may contribute towards enhanced decision-making efficiency by incorporating balanced risk assessment approaches. Behavioural finance research indicates that heterogeneous leadership teams tend to adopt more prudent financial strategies, thereby mitigating excessive risk-taking behaviour and promoting long-term capital preservation.

Inclusive leadership structures may also support innovation-driven growth by facilitating broader problem-solving capabilities and encouraging alternative viewpoints during strategic deliberations. Organisations with diverse executive teams are better positioned to respond to evolving stakeholder expectations, technological disruptions and competitive market dynamics. Additionally, gender diversity may influence organisational productivity by fostering equitable workplace practices, improved employee engagement and reduced

attrition levels. Retention of skilled human capital enhances institutional knowledge continuity and minimises recruitment and training costs associated with workforce turnover.

From an investor perception perspective, companies demonstrating inclusive governance frameworks often enjoy enhanced reputational capital and stakeholder trust. This may translate into improved market valuation, stronger brand equity and increased access to sustainability-linked investment opportunities. Consequently, gender diversity contributes to financial sustainability not only by strengthening governance mechanisms but also by supporting innovation, operational efficiency and long-term strategic alignment.

## CHALLENGES IN ACHIEVING SUBSTANTIVE DIVERSITY

Despite regulatory advancements, challenges remain.

- a) **Tokenism:** Appointments made solely to satisfy statutory requirements may limit meaningful participation.
- b) **Limited Leadership Pipeline:** Women’s representation declines at senior managerial levels, reducing board-ready candidates.
- c) **Gender Pay Gap:** Persistent pay disparities undermine claims of equality.
- d) **Cultural Barriers:** Workplace norms, unconscious bias, and inadequate support systems limit career progression.
- e) **Board Dynamics:** Inclusion requires not only representation but respect, voice, and influence in deliberations.

Addressing these issues demands structural reform rather than symbolic compliance.

## ROLE OF GOVERNANCE PROFESSIONALS IN ADVANCING GENDER DIVERSITY

Governance professionals, particularly Company Secretaries, play a critical role in translating statutory diversity requirements into effective governance practices. Their involvement extends beyond regulatory compliance to policy formulation, board advisory and ESG disclosure management.

### 1. Advisory Role in Board Composition Planning

Governance professionals advise the Nomination and Remuneration Committee (NRC) on achieving an optimal board mix aligned with statutory requirements and governance best practices.

In listed companies, the appointment of an Independent Woman Director under SEBI (LODR) Regulations often involves identifying qualified professionals with sectoral expertise. The Company Secretary facilitates due diligence, independence verification and documentation of appointment to ensure both regulatory compliance and strategic board composition.

### 2. Formulation of Diversity and Inclusion Policies

Company Secretaries assist in drafting Board Diversity Policies that define measurable objectives relating to gender representation at board and senior management levels.

Several Indian corporates have adopted formal diversity policies incorporated within their Corporate Governance Reports. The governance professional ensures that such policies align with ESG reporting parameters under BRSR and are periodically reviewed by the Board.

### 3. Ensuring Accurate ESG and BRSR Disclosures

BRSR mandates disclosure of gender-wise workforce composition, participation in leadership roles and pay equity indicators. Governance professionals ensure the accuracy and consistency of such disclosures in annual reports.

During preparation of sustainability disclosures, the Company Secretary coordinates with Human Resource and Compliance departments to compile data relating to:

- Women representation in senior management.
- Return-to-work rates post maternity leave.
- Gender pay gap metrics.

This supports transparent ESG reporting and regulatory compliance.

### 4. Strengthening POSH Compliance Framework

Workplace safety forms an essential component of gender-inclusive governance. Governance professionals monitor compliance with the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

The Company Secretary may:

- Ensure constitution of Internal Complaints Committee (ICC).
- Monitor timely filing of annual POSH reports.
- Facilitate training and awareness sessions.

Such measures contribute towards safer workplace environments and social sustainability objectives.

### 5. Integration of Diversity Metrics into Board Evaluation

Governance professionals assist in conducting performance evaluations of boards and committees, incorporating diversity parameters as part of governance assessment.

Board evaluation questionnaires may include criteria such as:

- Inclusiveness of board discussions.
- Participation levels of independent directors.
- Representation of women in key committees.

This ensures that diversity is assessed as a governance performance indicator.

### 6. Monitoring Pay Equity and Inclusive HR Policies

Company Secretaries may also support periodic governance audits examining pay parity and equitable promotion practices. Audit findings relating to gender pay disparities may be placed before the Board or NRC for policy intervention, thereby strengthening transparency and accountability.

## STRATEGIC ROADMAP: FROM COMPLIANCE TO INCLUSION

For corporates seeking long-term ESG strength, the following measures are recommended:

### 1. Establishment of Voluntary Gender Diversity Targets

Corporates may institutionalise internal diversity benchmarks at board and senior management levels that extend beyond statutory mandates. Adoption of measurable representation targets enables systematic monitoring of leadership inclusivity and demonstrates commitment to sustainable governance practices. Periodic review of diversity ratios by the Nomination and Remuneration Committee (NRC) may further strengthen accountability in leadership appointments.

Several listed companies in India voluntarily aim to achieve 25–30% women representation in senior management roles despite the Companies Act mandating only one woman director at board level. This demonstrates commitment to inclusive leadership beyond minimum compliance.

### 2. Leadership Development and Mentorship Programmes

Structured mentorship frameworks may be introduced to facilitate career progression of mid-level women professionals into executive and governance roles. Leadership incubation initiatives, sponsorship programmes and succession planning mechanisms support the development of a sustainable talent pipeline for board-level appointments, thereby addressing the challenge of limited representation at senior managerial levels.

IT sector organisations frequently implement women leadership incubation programmes wherein senior executives mentor high-potential women employees to prepare them for managerial and governance positions.

### 3. Periodic Gender Pay Equity Audits

Regular compensation audits may be undertaken to identify disparities in remuneration structures across comparable roles. Audit findings may be placed before the Board or NRC for policy intervention and corrective action. Transparent implementation of pay equity measures enhances employee morale, workforce retention and institutional credibility in ESG disclosures.

Audit observations indicating variance in pay scales between male and female employees at similar managerial levels may be reviewed by the Nomination and Remuneration Committee for policy intervention.

### 4. Integration of Diversity Metrics into ESG-Linked KPIs

Incorporation of gender diversity indicators into Key Performance Indicators (KPIs) of senior management aligns leadership incentives with sustainability objectives. Evaluation parameters may include gender-balanced recruitment, promotion rates of women professionals, retention post-maternity leave and participation in leadership development programmes.

Performance appraisal of leadership teams may include evaluation of:

- Gender-balanced hiring.
- Promotion of women professionals.
- Retention rates post maternity leave.

This aligns organisational performance with ESG objectives.

#### 5. Flexible Work and Return-to-Work Policies

Adoption of flexible workplace arrangements such as hybrid work models, extended maternity support and structured return-to-work programmes may support retention of experienced women professionals during mid-career stages. Such policies contribute towards workforce continuity and minimise attrition-related productivity losses.

Companies adopting hybrid work models and extended maternity support programmes often report higher retention of women employees in mid-career stages.

#### 6. Inclusion of Diversity Criteria in Vendor and Supply Chain Governance

Organisations may extend diversity principles to vendor selection frameworks by incorporating evaluation of supplier workforce inclusion standards and ethical employment practices. This enables alignment of supply chain governance with ESG objectives and strengthens responsible sourcing practices.

Vendor selection frameworks may incorporate evaluation of supplier diversity policies or workforce inclusion standards as part of ESG procurement practices.

#### 7. Board Sensitisation and Inclusion Training

Periodic governance training sessions for board members and senior management may be conducted to address unconscious bias and promote inclusive decision-making processes. Such initiatives support active participation of women directors in strategic deliberations and committee-level governance functions. Board-level workshops on inclusive decision-making and stakeholder governance help enhance participation of independent women directors in strategic deliberations.

#### 8. Transparent Succession Planning

Succession planning frameworks may incorporate gender diversity objectives to ensure equitable leadership continuity. Identification of high-potential women executives for senior management roles strengthens the leadership pipeline and reduces reliance on external appointments. Nomination and Remuneration Committees may recommend inclusion of qualified women executives within succession pipelines for senior management roles.

#### 9. Diversity-Focused Internal Governance Audits

Internal governance audits may periodically assess implementation of diversity policies and workforce representation across organisational hierarchies. Audit observations may be reviewed by the Board to facilitate policy refinement and compliance monitoring. Internal audit reports highlighting gender imbalance in leadership roles may be placed before the Board for corrective action planning.

#### 10. ESG-Based Public Disclosures

Transparent disclosure of diversity indicators in annual sustainability reports enhances stakeholder confidence and supports informed investment decisions by institutional investors. Public reporting of gender metrics aligns corporate governance practices with evolving ESG disclosure standards. Disclosure of gender-wise workforce composition and leadership participation in annual sustainability reports supports institutional investment decisions.

### CONCLUSION

Future ESG paradigms are likely to emphasise outcome-based diversity reporting that evaluates leadership influence, decision-making participation and equitable access to organisational opportunities rather than mere compliance with representational thresholds. Regulatory evolution may increasingly require corporates to demonstrate measurable progress in leadership diversity, workforce inclusivity and pay equity through structured sustainability disclosures. Further, stakeholder activism and investor stewardship initiatives are expected to play a pivotal role in accelerating diversity-driven governance reforms. Institutional investors may continue to integrate gender inclusion indicators into capital allocation frameworks, proxy voting guidelines and sustainability-linked financing mechanisms.

Technological advancements in ESG data analytics may enable real-time monitoring of diversity metrics across organisational hierarchies, thereby enhancing transparency and governance accountability. Integration of diversity indicators within enterprise risk management systems may also facilitate early identification of social sustainability risks and workforce governance challenges. In this evolving regulatory and market environment, governance professionals, particularly Company Secretaries, will be required to transition from compliance facilitators to strategic advisors by embedding diversity considerations within board evaluation processes, succession planning frameworks and sustainability reporting practices.

Organisations that proactively align leadership diversity with long-term strategic planning are likely to strengthen stakeholder trust, enhance reputational capital and improve resilience in dynamic business environments.

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# Listing of Debt Securities in IFSC: Trends, Drivers & Market Growth

The IFSC at GIFT City is becoming an important platform for gaining access to global capital through listings of foreign currency bonds. Supported by a globally recognized regulatory framework under the IFSCA (Listing) Regulations, 2024, together with favorable tax conditions and ease of doing business, the IFSC is progressively establishing itself as a credible jurisdiction for cross-border debt listings. This article examines the regulatory framework, market dynamics, and main factors driving the expansion of the bond ecosystem in the IFSC.



## CS Pradeep Ramakrishnan, FCS

Executive Director, IFSCA, GIFT City  
Gujarat  
[pradeep.ramakrishnan@ifsc.gov.in](mailto:pradeep.ramakrishnan@ifsc.gov.in)



## Arjun Prasad

General Manager, IFSCA, GIFT City  
Gujarat  
[arjun.pd@ifsc.gov.in](mailto:arjun.pd@ifsc.gov.in)



## Pawan K. Chowdhary

Deputy General Manager, IFSCA, GIFT City  
Gujarat  
[pawan.chowdhary@ifsc.gov.in](mailto:pawan.chowdhary@ifsc.gov.in)



## Rishikesh Wandhekar

Assistant Manager, IFSCA, GIFT City  
Gujarat  
[rishikesh.wandhekar@ifsc.gov.in](mailto:rishikesh.wandhekar@ifsc.gov.in)

## INTRODUCTION

India's aspiration to become a developed economy depends on building strong, diversified, and resilient financial markets capable of mobilising capital efficiently and at scale. As noted in the NITI Aayog report on *Deepening the Corporate Bond Market in India*, the country's corporate bond market, at around 16% of GDP, remains modest compared to developed economies, indicating significant untapped potential for mobilising long-term capital. With rising infrastructure and industrial investment needs, and the limitations of bank-led financing, a well-developed bond market offers an important alternative funding avenue and broadens access to a wider investor base.

In this context, the IFSC at GIFT City is emerging as a key platform for facilitating access to global capital through foreign currency bond listings. Backed by a globally benchmarked regulatory framework under the IFSCA

(Listing) Regulations, 2024, along with tax efficiency and ease of doing business, the IFSC is steadily developing into a credible jurisdiction for cross-border debt listings. This article explores the regulatory architecture, market trends, and key drivers contributing to the growth of the bond ecosystem in the IFSC.

## REGULATORY FRAMEWORK

The IFSCA (Listing) Regulations, 2024 ("Listing Regulations") were notified in August 2024 replacing the IFSCA (Issuance and Listing of Securities) Regulations, 2021. The Listing Regulations *inter alia* provide the regulatory framework for listing of corporate bonds on the stock exchanges in the IFSC, in line with global best practices. The salient features of the Listing Regulations with respect to debt securities are as under:

### 1) Issuer



# Issuers based in domestic India are also governed by the norms regarding External Commercial Borrowings ("ECB") prescribed under the Foreign Exchange Management Act, 1999 ("FEMA").

2) Depository

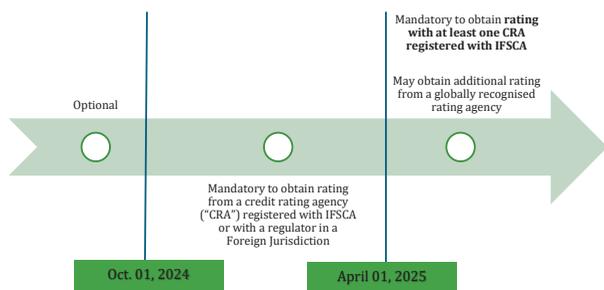
The debt securities listed on a recognised stock exchange shall be freely transferable and held with a depository:

- India International Depository IFSC Limited (“IIDI”); or
- Any international central securities depository (“ICSD”).

3) Listing Application

- The issuer shall file listing application with the stock exchange(s).
- The offer document / information memorandum shall contain all material disclosures which are true, correct and adequate to enable the investors to take an informed investment decision. The document shall contain issuer and issue related disclosures as specified in the Listing Regulations.

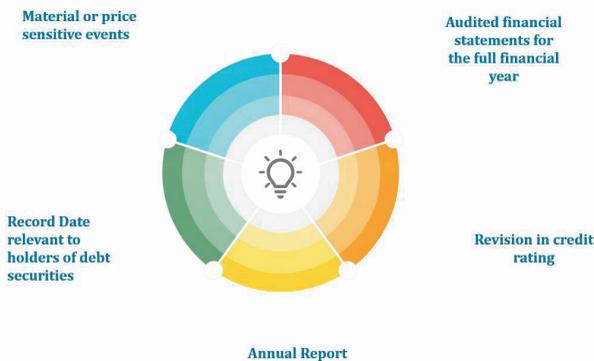
4) Credit Rating



Clarification issued by IFSCA to stock exchanges w.r.t. Secondary Listings:

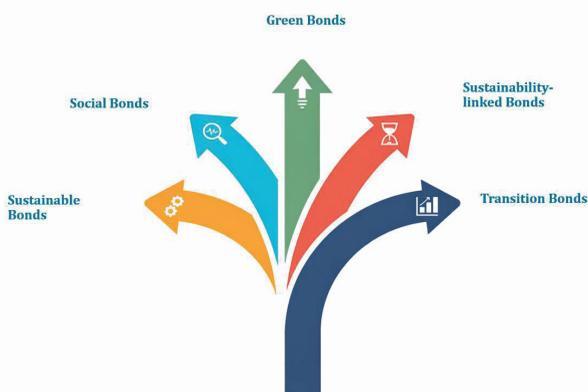
- The requirement to obtain credit rating specified under regulation 72 of the Listing Regulations shall apply on fresh issuance and listing of debt securities. However, where an issuer has already issued and listed debt securities on any stock exchange (IFSC or Foreign Jurisdiction) prior to October 01, 2024 with or without rating, the issuer may list such securities as secondary listing on a recognised stock exchange in the IFSC.
- Similarly, where an issuer has already issued and listed debt securities on any stock exchange (IFSC or Foreign Jurisdiction) between October 01, 2024 till March 31, 2025, with rating by any credit rating agency (registered with IFSCA or with a regulator in a Foreign Jurisdiction), the issuer may list such securities as secondary listing on a recognised stock exchange in the IFSC.

5) Post Listing Disclosures



A. ESG Labelled Debt Securities

IFSCA recognizes the pivotal role of ESG labelled debt securities in financing sustainable development and transition to a low-carbon economy. In line with this, a regulatory framework, aligned with global best practices, for green, social, sustainable and sustainability-linked bonds was initially brought in by IFSCA as part of IFSCA (Issuance & Listing of Securities) Regulations, 2021 and subsequently subsumed in the IFSCA (Listing) Regulations, 2024. As on December 2025, the GIFT-IFSC has witnessed the listing of approximately USD 16.18 Bn. ESG labelled debt securities, accounting for ~24% of the total debt securities listed, which stood at USD 68.03 Bn. This strong uptake underscores the impact of focused regulatory measures and growing investor confidence in India’s green and sustainable finance framework.

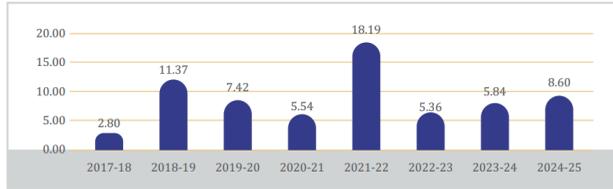


Framework for Transition Bonds

To enable issuers specifically from hard-to-abate sectors to raise capital and list their securities at IFSC, while committing to a credible transition plan and making enhanced disclosures to ensure interests of the investors are protected, IFSCA on July 29, 2025 has issued the Framework for Transition Bonds. The framework for transition bonds will enable issuers from hard-to-abate sectors to raise capital from global investors.

**B. Market Trends**

The stock exchanges in IFSC has emerged as a preferred destination for listing of foreign currency and masala bonds by Indian issuers.



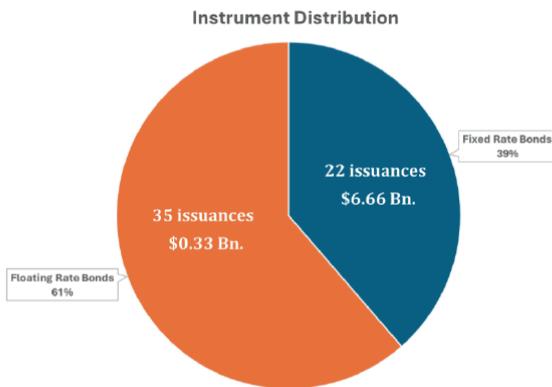
During FY 2024–25, debt securities amounting to USD 8.6 billion were listed on the stock exchanges in the IFSC, out of which:

- a) Bonds worth USD 6.99 billion were issued as well as listed in FY 2024–25.
- b) Bonds amounting to USD 1.61 billion were issued in previous financial years but were listed on the stock exchanges in the IFSC as secondary listings during FY 2024–25.

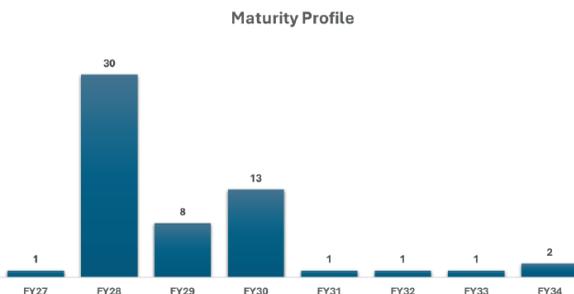
IFSCA has also released a detailed report titled “*Debt Market at IFSC: Landscape & Trends 2024–25*” providing an in-depth analysis of the bonds issued and listed on the stock exchanges in the IFSC during the year. The report can be accessed here.

The total primary debt issuance at IFSC was USD 6.99 Bn. across 57 listings during the financial year 2024-25. Some of the key trends from the report are as follows:

**a) Instrument type (Floating vs. Fixed Rate)**

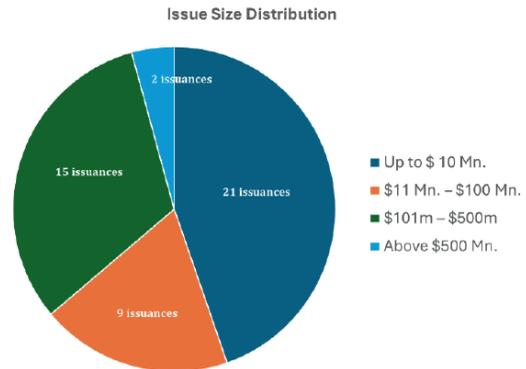


**b) Maturity Profile**



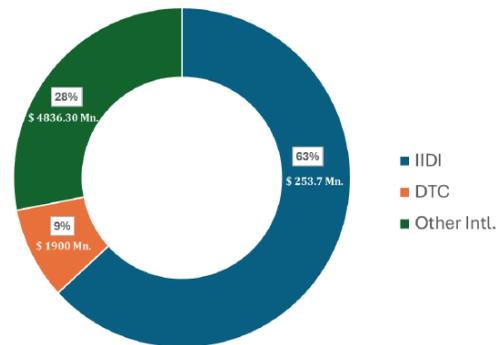
The IFSCA (Listing) Regulations, 2024, along with globally benchmarked standards, tax efficiency, and simplified processes, have positioned the IFSC as a competitive jurisdiction for listing of foreign currency bonds.

**c) Issue size Distribution**



**d) Depository**

- **India International Depository Limited (IIDI)** - 36 issuances (USD 253.7 Mn.)
- **The Depository Trust Company (DTC)** - 5 issuances (USD 1,900 Mn.)
- **Other ICSDs** (like Euroclear, Clearstream etc.) - 16 issuances (USD 4836.30 Mn.)

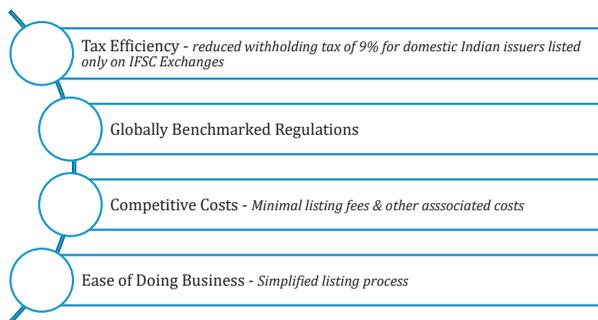


**C. Debt Listings – Current Financial Year**

In the current financial year (FY 2025–26), debt securities amounting to USD 2.92 billion have already been listed on the IFSC stock exchanges up to December 31, 2025, of which ESG-labelled debt securities account for USD 0.75 billion.

As on December 31, 2025, the cumulative total of all debt securities listed on the stock exchanges in the IFSC is USD 68.03 billion.

#### D. Drivers for listings in IFSC



The withholding tax on interest is **only 9%** for a domestic Indian issuer if the bonds are exclusively listed on the stock exchanges in the IFSC

The withholding tax on interest is **NIL** for an issuer incorporated within IFSC

#### E. Listing without Admission to Trading - Only foreign issuers

The exchanges, with the approval of IFSCA, issued the framework for permitting listing of debt securities without admission to trading. The purpose of this framework is to enable foreign issuers to do secondary listing on the exchanges in the IFSC for the purpose of wider visibility with no facility to trade.

During current financial year (2025-26), DFCC Bank PLC from Sri Lanka became the first foreign corporate issuer to list bonds on the stock exchanges in the IFSC. This listing is a defining milestone in the transition of IFSC from an India-centric offshore venue to an international marketplace for listing of bonds. This listing has opened doors for cross-border issuances from Asia, Africa, and other emerging markets.

#### F. Sovereign Ratings Upgrade and Economic Strength

CareEdge Global has rated India 'BBB+'

In the last few months, India's rating has been upgraded by other global rating agencies, including the following:

- S&P Global has upgraded India's long-term sovereign rating to 'BBB' with a stable outlook.
- Rating and Investment Information, Inc. (R&I), Japan has upgraded India's rating to 'BBB+'.
- Morningstar DBRS' upgraded India's rating to 'BBB'

These credit rating upgrades reflect increasing global recognition for India's robust and resilient macroeconomic fundamentals and prudent fiscal management, and underscore global confidence in India's medium-term growth prospects amid prevailing global uncertainties.

#### Benefits of Rating Upgrades



#### G. RBI's proposed ECB Reforms

The Reserve Bank of India (RBI) has released draft regulations to significantly overhaul the External Commercial Borrowing (ECB) framework that will ease borrowing in foreign currency by Indian issuers. The reforms by RBI are expected to provide a filip to more foreign currency bond issuances by Indian issuers and contribute towards more listing of bonds in the IFSC.

#### H. What's next?

Key Priorities of IFSC in the coming years with respect to bond markets are:



## CONCLUSION

The IFSCA (Listing) Regulations, 2024, along with globally benchmarked standards, tax efficiency, and simplified processes, have positioned the IFSC as a competitive jurisdiction for listing of foreign currency bonds. The growth in issuances, diversity of instruments including ESG-labelled bonds, participation of international depositories, and entry of foreign issuers reflect the steady development of the IFSC bond ecosystem. Supported by India's recent sovereign rating upgrades and the RBI's proposed ECB reforms, the IFSC is well placed to emerge as a preferred global venue for cross-border bond listings.

## REFERENCE:

- The authors undertake that the information in the article their own and not sourced from third parties.



# Revitalizing MSMEs: The Catalytic Role of Ramp

Micro, Small and Medium Enterprises (MSMEs) are central to India's economic growth, employment generation, and inclusive development. In recent years, the MSME sector has witnessed significant formalisation, broader access to finance, greater social participation, and sustained policy support. Despite these developments, the post-pandemic environment and the rapid expansion of the digital economy have revealed continuing structural constraints related to finance, technology adoption, market integration, and institutional capacity. Against this backdrop, the present study analyses the Raising and Accelerating MSME Performance (RAMP) programme as a reform-oriented and outcome-based policy initiative designed to address these challenges. This paper analyses the role of RAMP in strengthening institutional systems, improving the flow of credit, promoting digital adoption, expanding market access, and supporting enterprise formalisation, and assesses its implications for the contribution of MSMEs to sustainable economic development in India.



**Dr. Jyothi G. H.**

Assistant Professor  
Department of MBA  
Siddaganga Institute of Technology  
Tumkur (Karnataka)  
[jyothiguntur@gmail.com](mailto:jyothiguntur@gmail.com)

## INTRODUCTION

**M**icro, Small and Medium Enterprises (MSMEs) form an important segment of India's economic system, supporting employment, entrepreneurship, inclusive growth, and regional development. Recent data show a steady increase in the scale of operations and greater movement of enterprises into the formal sector. According to available records, 7.62 crore enterprises are registered under the Udyam system, comprising 4.56 crore MSMEs and 3.06 crore Informal Micro Enterprises (IMEs) registered through the Udyam Assist Platform (UAP). This expansion of registration indicates progress in formalisation and improved access to formal credit channels, markets, technology support, and government programmes. Most registered units fall under the micro category, accounting for more than 99 percent of the total (around 7.57 crore enterprises). This distribution highlights the central role of micro enterprises in generating livelihoods and supporting small-scale entrepreneurial activity across the country. The data also reveal substantial participation across gender and social categories. Women-owned enterprises account for 3.01 crore registrations. In terms of social representation, entrepreneurs from Other Backward Classes (2.43 crore), Scheduled Castes (80.43 lakh), Scheduled Tribes (26.89

lakh), and Divyangjan categories (6.66 lakh) form a significant share of registered units. Sectoral distribution shows that MSMEs operate across trading (3.29 crore), services (2.73 crore), and manufacturing (1.60 crore), reflecting their broad-based contribution to economic activity.

In terms of employment, MSMEs have created approximately 33.59 crore jobs, making them the second-largest source of employment in India after the agricultural sector. Targeted schemes such as PMEGP alone have supported 3.92 lakh units, disbursed Rs.13,134.80 crore as margin money subsidy, and generated an estimated 31.35 lakh jobs during financial year 2021–22 to financial year 2025–26. Similarly, access to finance has expanded significantly through institutional mechanisms. Under CGTMSE, guarantees worth Rs. 12.38 lakh crore have been extended, while schemes like SRI Fund, PM Vishwakarma, PMEGP, NSSH, and PMV have collectively sanctioned loans and subsidies running into tens of thousands of crores, enabling enterprise creation, scaling, and modernization. PM Vishwakarma alone has recorded 3 million registrations, with large-scale skill verification, training, and credit support to traditional artisans.

Market access and export promotion initiatives have further strengthened MSME competitiveness. Participation in domestic and international exhibitions, 265 fairs, and export support has resulted in Rs. 3,858.53 crore exports in coir and coir products, reflecting the global integration of MSME products. Public procurement support remains robust, with Rs. 48,526 crore worth of procurement from MSEs, including Rs. 2,383 crore from SC/ST enterprises, reinforcing inclusive procurement policies.

Even in case of technological upgradation and infrastructure development have received strong policy backing through RAMP, ZED, LEAN, TCSP, KVIC, MSE-CDP, and Tool Room initiatives. Under RAMP, over 35.23 lakh MSMEs have benefited, with grants of Rs. 3,351 crore, while quality and productivity enhancement schemes have enabled certification, process improvement, and digital adoption. In addition,

training and entrepreneurship development continue to be a cornerstone of MSME growth, with over 3.8 crore individuals trained across various skilling, ESDP, ASPIRE, and MSME capacity-building programmes. Effective grievance redressal through CHAMPIONS, CPGRAMS, and SAMADHAAN has further strengthened trust in institutional support systems. Moreover, the growing Gross Budgetary Support, increasing from Rs. 17,306.73 crore in revised financial year 2024–25 to Rs. 23,168.15 crore in financial year 2025–26 with near 100% utilization, reflects strong governmental commitment to MSME development.

In the light of the above, the performance figures affirm that MSMEs are not merely supplementary economic units but are central drivers of employment, inclusion, innovation, and resilience in the Indian economy. Their continued strengthening through formalisation, finance, technology, market access, and institutional reforms positions MSMEs as a decisive force in achieving sustainable growth and the broader vision of a developed India.

## RAISING AND ACCELERATING MSME PERFORMANCE (RAMP)

The Union Cabinet's approval of the USD 808 million (Rs. 6,062.45 crore) World Bank-assisted programme "Raising and Accelerating MSME Performance (RAMP)" marked a decisive policy shift toward reform-linked, performance-oriented development of India's MSME sector. The Raising and Accelerating MSME Performance (RAMP) programme received approval on 30 March 2022 and was implemented from the financial year 2022–23 as a Central Sector Scheme under the Ministry of MSME. The programme is financed with assistance of USD 500 million from the World Bank, with the remaining funds provided by the Government of India. It was introduced in the aftermath of the COVID-19 pandemic to support recovery and address structural issues affecting the MSME sector, with a focus on improving competitiveness, encouraging formalisation, and strengthening long-term viability. RAMP follows a reform-based financing structure built around two key areas: first, strengthening institutional systems and governance related to MSMEs at both Central and State levels; and second, improving market access, enterprise capabilities, and access to finance. Fund disbursement is linked to the achievement of specified Disbursement Linked Indicators (DLIs). These indicators are intended to support implementation of the National MSME Reform Agenda, enhance coordination between the Centre and States, strengthen credit guarantee mechanisms, reduce payment delays, promote environmental and gender-related measures, and expand receivables financing systems. The programme also requires States and Union Territories to prepare Strategic Investment Plans (SIPs).

The Raising and Accelerating MSME Performance (RAMP) programme marks a paradigm shift in India's MSME policy from fragmented scheme-based support to a reform-linked, performance-oriented ecosystem approach.

These plans identify regional priorities and outline sector-specific interventions for MSME development, including areas such as manufacturing, services, renewable energy, village industries, and women-led enterprises.

By the financial year 2025–26, the performance indicators associated with RAMP reflect its role in supporting the revival and strengthening of the MSME sector. As on December 2025, 35.23 lakh MSMEs had directly benefited under RAMP, with Rs. 3,351 crore sanctioned as grants to strengthen institutional capacity, technology adoption, market linkages, and enterprise competitiveness. These outcomes align with the programme's original objective of targeting 5.55 lakh MSMEs for enhanced performance, while indirectly benefiting India's entire MSME universe of over 63 million enterprises. Importantly, RAMP has complemented flagship initiatives such as CGTMSE, technology upgradation, quality certification, and digital enablement, thereby amplifying the impact of existing MSME schemes rather than duplicating them. Beyond quantitative reach, RAMP functions as a policy provider through evidence-based programme design, a knowledge provider via benchmarking and dissemination of best practices, and a technology provider by enabling MSMEs'

access to advanced digital tools, analytics, and automation. With its emphasis on competitiveness, inclusion, and sustainability, RAMP reinforces the objectives of Atmanirbhar Bharat by promoting exports, import substitution, and domestic manufacturing.

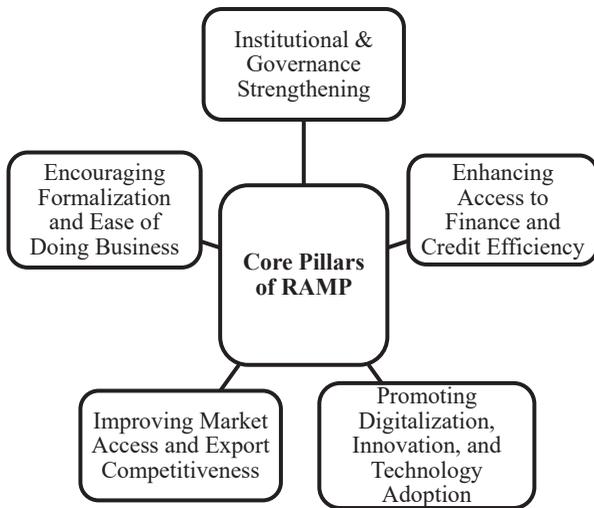
As a result, RAMP represents a paradigm shift in MSME policy from fragmented support to

outcome-driven reform positioning MSMEs as resilient, future-ready engines of India's economic growth in the post-pandemic era.

## RAMP AS A CATALYST FOR MSME REVITALIZATION

The Raising and Accelerating MSME Performance (RAMP) programme marks a paradigm shift in India's MSME policy from fragmented scheme-based support to a reform-linked, performance-oriented ecosystem approach. By simultaneously addressing institutional capacity, finance, technology, markets, and formalisation, RAMP acts as a catalytic framework that strengthens MSME resilience, competitiveness, and sustainability in the post-pandemic and digital economy era. Rather than operating in silos, RAMP integrates governance reforms with enterprise-level outcomes, positioning MSMEs as engines of inclusive growth and economic transformation. However, some of the important successful critical factors are responsible for strengthening the MSMEs under RAMP are presented (figure 1) and followed by a brief discussion of the same.

Figure 1: Core Pillars of RAMP



- (a) **Strengthening MSME Institutions and Governance Mechanisms:** RAMP strengthens the institutional architecture of the MSME ecosystem by enhancing policy-making capacity at both the Central and State levels. Under the Strategic Investment Plan (SIP) framework, States are required to assess sector-specific challenges, define measurable objectives, and align MSME-related initiatives with regional development priorities. Greater coordination between the Central and State governments, the use of data-based planning, and performance-linked financial support under RAMP contribute to improved transparency, accountability, and overall efficiency in MSME governance.
- (b) **Enhancing Access to Finance and Credit Efficiency:** Limited availability of timely and affordable finance continues to constrain MSME growth. RAMP seeks to address this issue by strengthening credit guarantee mechanisms, expanding receivables financing systems, and reducing delays in payments. These measures aim to lower lending risks for financial institutions and reduce transaction costs for enterprises, thereby facilitating improved credit flow to micro and small firms. Improved access to liquidity and working capital can support investment in expansion and technological upgradation.
- (c) **Promoting Digitalization, Innovation, and Technology Adoption:** RAMP promotes the adoption of digital tools, modern technologies, and innovation-driven practices to enhance MSME productivity. By supporting technology upgradation, quality certification, and digital platforms, the programme enables MSMEs to integrate into digital value chains. Access to advanced technologies such as automation, data analytics, and cloud-based systems improves operational efficiency, resilience, and competitiveness in an increasingly digital economy.

- (d) **Improving Market Access and Export Competitiveness:** Market expansion is a critical driver of MSME growth. RAMP facilitates better market access by strengthening domestic and international linkages, supporting participation in exhibitions and trade fairs, and encouraging quality-driven production. These initiatives help MSMEs diversify markets, move up the value chain, and enhance export readiness. Improved competitiveness enables MSMEs to contribute more effectively to export growth and import substitution.
- (e) **Encouraging Formalization and Ease of Doing Business:** RAMP supports formalization by incentivizing MSME registration, simplifying compliance procedures, and strengthening grievance redressal mechanisms. Formalized enterprises gain easier access to finance, government schemes, and organized markets while reducing regulatory uncertainty. Enhanced ease of doing business improves enterprise confidence, reduces informality-related risks, and fosters sustainable and inclusive MSME growth.

## POLICY IMPLICATIONS AND RECOMMENDATIONS

The implementation of the Raising and Accelerating MSME Performance (RAMP) programme offers critical insights into the evolving architecture of MSME policy in India. Moving beyond fragmented, scheme-centric interventions, RAMP demonstrates how reform-linked, outcome-oriented governance can enhance policy effectiveness, institutional capacity, and enterprise competitiveness. The programme's emphasis on performance-based funding, sustainability integration, scalability across sectors, and robust monitoring mechanisms provides a comprehensive blueprint for future MSME reforms. Accordingly, the following policy implications and recommendations highlight strategic directions for strengthening MSME development, aligning enterprise growth with ESG and inclusive objectives, and ensuring accountability-driven, resilient economic transformation.

- (1) The RAMP experience emphasizes the effectiveness of shifting from fragmented, scheme-driven interventions to a reform-linked, outcome-oriented policy framework. Performance-based funding, strong Centre-State coordination, and evidence-driven planning through Strategic Investment Plans (SIPs) demonstrate that MSME policies yield better results when aligned with regional priorities and measurable outcomes. Future MSME policy design should therefore emphasize institutional capacity building, flexibility in implementation, and continuous feedback loops to ensure adaptive and responsive reforms.



- (2) RAMP provides a strong platform for embedding Environmental, Social, and Governance (ESG) principles into MSME development. By encouraging greening initiatives, women entrepreneurship, and social inclusion, the programme aligns enterprise growth with sustainability objectives. Integrating ESG metrics into MSME credit appraisal, technology adoption, and market access initiatives can further enhance responsible business practices, promote climate resilience, and ensure that MSME growth remains inclusive and socially balanced.
- (3) The reform-based, performance-linked architecture of RAMP offers a scalable model for other sectors such as agriculture-based enterprises, startups, cooperatives, and services. Its emphasis on institutional strengthening, technology enablement, and market integration can be adapted to sector-specific contexts. Replicating this model can help address structural bottlenecks across sectors while ensuring efficient use of public resources and measurable developmental impact.
- (4) Effective monitoring and evaluation are essential for maintaining the continuity of reforms. Under RAMP, financial releases are linked to Disbursement Linked Indicators (DLIs), supported by defined reporting systems and multi-level monitoring structures. These mechanisms aim to ensure accountability in programme implementation. Strengthening real-time data systems, undertaking independent evaluations, and integrating feedback from stakeholders can further improve implementation outcomes. Such steps help enhance transparency, operational efficiency, and the sustained progress of MSME reform initiatives.

## CONCLUSION

In conclusion, the Raising and Accelerating MSME Performance (RAMP) programme represents a change in India's MSME development approach, moving from dispersed support schemes toward a reform-based and outcome-

focused framework. The review suggests that the programme has contributed to strengthening institutional systems, improving access to finance, encouraging digital adoption, expanding market linkages, and promoting enterprise formalisation. Through coordinated action between the Centre and States, along with funding linked to measurable results, RAMP addresses structural issues that have affected MSME growth.

The programme's emphasis on sustainability, inclusion, and competitiveness supports the overall development of the MSME sector. MSMEs play an important role in employment generation, innovation, and inclusive growth. With the reforms introduced under RAMP, the sector is better placed to contribute to long-term economic development.

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# 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 Pawan G. Chandak**  
President, The ICSI

**CS Dwarakanath Chennur**  
Vice President, The ICSI

**CS Asish Mohan**  
Secretary, The ICSI

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# Invitation For Research Papers in CS Journal – April 2026 Issue

## RESEARCH PAPER



We invite Research papers / Manuscripts to publish in 'Chartered Secretary' with the objective of creating proclivity towards research among its members both in employment and practice. As research is an integral part of the scientific approach towards an issue for arriving at concrete solutions, in view of this it is essential to ensconce the research-oriented approach. Further, research is pervasive, i.e., it is not restricted to a particular field. Whether it is engineering, management, law, medicine, etc. without proper research, it is almost next to impossible to ascertain the solution of a problem.

Contributions may be sent on topics like Secretarial Practice, Auditing Standards, Company Law, Mercantile Law, Industrial Law, Labour Relations, Business Administration, Accounting, CG & CSR, Legal Discipline, and Digital Transformation & Artificial Intelligence or on any other subject and topic of professional interest.

Participants are requested to send their Research Paper with the following terms:

- ❖ The Research Paper should be original and exclusive for Chartered Secretary.
- ❖ It should be ensured that the Research Paper has not been/will not be sent elsewhere for publication.
- ❖ Research Paper should include a concise Title, Abstract name of the author(s) and address.

Members and other readers desirous of contributing Research Paper may send the same latest by **Friday, March 20, 2026** for the **April 2026** issue of Chartered Secretary Journal at [cs.journal@icsi.edu](mailto:cs.journal@icsi.edu)

The length of the Research Paper should ordinarily be between 2,500 - 4,000 words in MS Word format.

We look forward to your co-operation in making this initiative of the Institute a success.

Regards,

**Team ICSI**

# 3

## RESEARCH CORNER



- [Corporate Restructuring in India: A Framework for Practitioners](#)
-

# Corporate Restructuring in India: A Framework for Practitioners

Indian businesses are increasingly using corporate restructuring as a key strategic tool to navigate a regulatory environment that is becoming more complex and a market that is always changing. This paper gives a complete, practice-based framework for corporate restructuring in India, and the regulatory framework set out by the Insolvency and Bankruptcy Code (IBC), 2016 and the Companies Act, 2013. This study examines how restructuring methods have changed between 2024 and 2025, identifies major problems, such as delays in the process and issues with interpreting the law, and suggests practical alternatives. The article is designed to share information on mergers and acquisitions, insolvency, cross-border restructuring, and new trends in how AI can be used in the changing professional services segment.



## CS (Dr.) R. Ravichandran, ACS

Chief Manager - Kirtane & Pandit, LLP  
Bengaluru  
[rchandrain@yahoo.com](mailto:rchandrain@yahoo.com)



## N. Rakesh

Assistant Professor  
School of Commerce and Management  
JAIN (Deemed to be University), Bengaluru  
[v.rakesh71094@gmail.com](mailto:v.rakesh71094@gmail.com)

## INTRODUCTION

Since the implementation of the Insolvency and Bankruptcy Code, 2016, the way businesses in India restructure has changed completely. The IBC was a major change from the old, fragmented legal system that handled corporate bankruptcy. It created a time-limited, creditor-driven process to extract the most value from assets and encourage entrepreneurship. As of December 2024, the IBC has initiated more than 8,175 insolvency processes, and 3,485 have been completed. This shows that the code is widely used.

At the same time, the Companies Act, 2013 provides businesses with a comprehensive set of rules for voluntary

restructuring through mergers, amalgamations, and schemes of arrangement. The process has become easier with the adoption of fast-track merger processes and the transfer of jurisdiction from High Courts to the National Company Law Tribunal (NCLT). However, it is still hard to strike a balance between efficiency and stakeholder protection.

## OBJECTIVES OF THE STUDY

The objectives of this study are to provide a comprehensive framework for understanding and implementing corporate restructuring strategies in India. The precise objectives are as follows:

- To analyse the current laws that regulate corporate restructuring, such as the latest amendments in the IBC, 2016 and the Companies Act, 2013.
- To examine key restructuring options, such as mergers, amalgamations, demergers, and insolvency resolutions.
- To identify new trends and possible future directions in the practice of restructuring businesses.

## THE INSOLVENCY AND BANKRUPTCY CODE, 2016

### 1. Goals and Growth

The Insolvency and Bankruptcy Code, 2016 changed how India deals with financial problems by creating a single, time-limited system. The main goal of the Code is to help financially troubled businesses get back on their feet as going concerns, with liquidation being a last resort. This ensures the process is quick while preserving asset value.

The IBC, 2016 played a significant role in this improvement; the gross NPAs of scheduled commercial banks fell from a high of 11.2% in March 2018 to 2.8% in March 2024. The IBC has always had a higher recovery rate than other methods. For example, in FY 2023-24, IBC accounted for 48% of bank recoveries, SARFAESI for 32%, and Debt Recovery Tribunals for 17%.

## 2. Important Parts and Steps

A financial creditor (Section 7), an operational creditor (Section 9), or the corporate debtor itself (Section 10) can start the CIRP if the company owes Rs 1 crore or more. When CIRP commences, a Section 14 moratorium stops all legal and enforcement actions, giving everyone time to reach an agreement. The Committee of Creditors (CoC), which comprises all financial creditors, makes important business decisions and reviews resolution plans submitted by those seeking to resolve their debts.

As of September 2024, CIRP has taken in roughly 8,002 cases, and about 75% of them have been closed in different ways. Fifty-six per cent of the closed cases were either resolved, settled, or withdrawn. This shows that the IBC Code, 2016 encourages people to settle their disputes through negotiation. Notably, 633 corporate debtors whose financial creditors filed for bankruptcy have been successfully resolved, with an average realisation of 30.09% of allowed claims—well above the usual liquidation values.

The resolution plan must follow the rules in Section 30(2) and not break any laws. The plan is sent to the NCLT for final approval after 66% of the CoC votes in favour. The historic decision of the Supreme Court in *K Sashidhar v. Indian Overseas Bank*<sup>1</sup> made it clear that the role of NCLT is only to check compliance, not to judge the CoC's business sense.

### THE IBC AMENDMENT BILL, 2025: A COMPLETE OVERHAUL

The IBC Amendment Bill, introduced in the Lok Sabha on August 12, 2025, is the most significant change to the IBC Code, 2016 since its enactment. The Bill addresses ongoing problems such as delays in procedures, ambiguity in recovery outcomes, and confusion arising from different judicial interpretations. NCLT must accept applications when certain conditions are met; there can be no other reasons for rejection; there is a 14-day deadline with written justifications for delays.

#### 1. CIIRP Overview

The Creditor-Initiated Insolvency Resolution Process (CIIRP) allows some banks to initiate the process outside of court. The debtor stays in charge during CIIRP.

#### 2. Restrictions on withdrawals

Allowed only after a 90% vote from the CoC; only for plans to resolve issues before the first call; must be disposed of within 30 days.

#### 3. Insolvency of a Group

A plan for working together to solve problems with group firms that are tied to each other, joint creditor

committees, a shared insolvency professional, and single-bench hearings.

#### 4. Framework for Cross-Border

Recognising foreign bankruptcy cases, working together with Indian and foreign courts, and working together to settle the bankruptcies of multinational groups.

## THE COMPANIES ACT, 2013: FRAMEWORK FOR VOLUNTARY RESTRUCTURING

### 1. Sections 230–240: Full Restructuring System

Chapter XV of the Companies Act, 2013 (Sections 230–240) gives a full set of rules for compromises, agreements, and mergers. This system makes it easier for companies to restructure on their own through court-approved plans, which protects stakeholders while allowing for business flexibility. Some important parts are:

Section 230: Deals and compromises between a business and its members or creditors.

Section 231: What the NCLT can do to enforce and oversee plans.

Section 232: Companies can merge or combine.

Section 233: Quick mergers for small businesses and combinations of holding and subsidiary enterprises.

Section 234: Mergers between companies from different countries that have been notified.

### 2. Reforms to Fast-Track Mergers (2024–2025)

The changes to the Companies (Compromises, Arrangements, and Amalgamations) Rules in September 2024 and 2025 significantly improved the fast-track merger system. Most importantly, these changes made it clear that “reverse-flip” mergers—where a foreign holding company merges into a wholly owned Indian subsidiary—could proceed under fast-track procedures with the consent of the Reserve Bank of India.

The changes also made the rules less strict about the time limit for filing petitions with the Regional Director. The time limit for filing petitions was changed from 7 days to 15 days after the member/creditor meetings ended. These adjustments are in line with what the sector has asked for to make reorganisations within groups easier, and they also align with the Government's goals to make business easier, as outlined in the Union Budget 2025-26.

Fast-track mergers do not have to go through NCLT proceedings. Instead, they need permission from at least 90% of shareholders and 90% of creditors, followed by certification from the Regional Director. Small businesses, parent-subsidiary combinations, start-ups, and foreign-Indian holding-subsidiary reverse mergers are now all eligible.

Type of Restructuring depends on the goal of the Strategy, and on the industry. Merger across the board helps in consolidation of the market, enables lower costs synergies and improves margins due to larger size and lessens rivalry.

<sup>1</sup> *Supreme Court of India, CIVIL APPEAL NO.10673 OF 2018*

### 3. Restructuring Corporate Debt under Section 230

Section 230(2)(c) especially talks about corporate debt restructuring plans that change or reorganise how a company owes money to its creditors. At least 75% of secured creditors by value must agree to such plans, and they must include:

- Protection for other creditors, both secured and unsecured.
- Auditor's report certifying compliance with liquidity rules after restructuring.
- Adoption of RBI CDR guidelines statement (if relevant).
- A registered valuers report on the worth of all assets.

## PRACTICAL RESTRUCTURING FRAMEWORK: INSIGHTS FROM THE INDUSTRY

### 1. Different Types of Restructuring and Their Strategic Reasons

Type of Restructuring depends on the goal of the Strategy, and on the industry. Merger across the board helps in consolidation of the market, enables lower costs synergies and improves margins due to larger size and lessens rivalry.

Mergers in the telecom and banking sectors (PSU banks) is a key example of size related benefits that can accrue in the financial services industry which is crucial for sustainable growth and survival.

Merging Vertically helps in integration of the supply chain, lowering costs, and quality control and helps combine manufacturing and distribution, as well as tech and hardware, as seen in manufacturing and FMCG industries.

Group exposures can reduce risks by diversification, spreading out risk, and working together across industries, on either partner basis or strategic alliance route. Also traditional business groups are growing into new areas, and are not averse to test the new age industries like IT services, IT enabled services, AI, ML and technology tools.

Demerger or spin-off helps focus on one's core business, uncover value, and set discrete paths for expansion, and helps obtain value for the investment locked up in assets. Also the separations between IT services and infrastructure-financial services, helps diversify or reduce risk and ring fence the assets from external adverse factors which can otherwise impact the combined financial statements of entities, which can potentially erode value in times of distress.

Reverse Merger, is helpful in certain cases where tax optimisation, regulatory arbitrage, are required and making things easier to preserve flexibility and maintain value of assets, while at the same time make good business sense in the process. A subsidiary taking over parent, reverse flips from other countries.

The type of restructuring that an entity chooses should be based on its strategic goals, how it wants to position itself in the market, its risk appetite, governance characteristics, and how it proposes to create value for the stakeholders, not just be focused on financial or tax reasons.

### 2. Framework for Due Diligence

A thorough due diligence process is the key to a successful reorganisation. According to what top companies do, the due diligence process should include:

- Financial Due Diligence: Looking at past financial data, the quality of earnings, the amount of working capital needed, the structure of debt, any potential liabilities, and tax situations.
- Legal Due Diligence: Corporate structure, important contracts, lawsuits, following the law, intellectual property, and labour/employment issues.
- Operational Due Diligence: Checking the long-term viability of the business model, the strength of the supply chain, the technology infrastructure, and the skills of the employees.
- Commercial Due Diligence: Identify synergies, looking at the market position, the competitive landscape, the concentration of customers, and the growth potential.
- ESG and Compliance: Environmental obligations, social responsibility metrics, governance structures, and following the rules of integrated corporate governance that work against unfair business practices.

### 3. A Step-by-Step Process Framework for Mergers and Amalgamations

The following framework brings together the rules from the Companies Act, 2013, the SEBI rules, the Competition Act, 2002, and the best practices from top law firms:

The first Stage involves the identification of important tasks, requirements of law, and scheduling the planning process from a strategic perspective.

Planning ahead is based on strategic reasons and needs proper alignment to board set-up objectives in the corporate charter, and this is to be articulated well by the Board and in line with the same conduct of due diligence, on the target or acquirer, which is performed, and this helps figure out the value, and deciding on the structure. Deciding on the structure can be quite complex is governed by a range of factors like existing ownership structure of the target or acquirer, RBI guidelines, SEBI guidelines, and whether the industry is in the regulated category or otherwise.

In cross-border cases FEMA and the Government of India policies on FDI may also likely trigger some special approvals to be obtained, in select cases.

Verification of the MOA and lender consent in principle is likely to take around 2 to 3 months.

Approval from the Board needs to be based on the draft plan, board approval, and notify the stock exchange (if listed). SEBI notice and the stock exchange's clearance process as also filing with the NCLT within the stipulated time.

Filing with the NCLT-Form NCLT-1, accompanying documentation, and a hearing for directions are all needed.

Regional Director, Official Liquidator, and Income Tax Clearance – Need around two to three months.

Meetings of shareholders and creditors, voting, and the chairman's report needs to be made ready and kept. A 3/4 of the value and a simple majority of the headcount is required, in the time frame of 1- 2 months.

The next step involves final NCLT hearing, objections dealt with, and order for scheme sanction.

CCI approval if limits are met with needs to be obtained, if and as applicable, likely time period being 2 to 4 months.

Necessary ROC filings, moving assets, giving out shares, and moving employees across entities and filing of Form INC-28, for order passed by NCLT, MGT-14, and additional filings for compliance, within a period of one month. The whole process takes 9 to 15 months for ordinary mergers and 4 to 6 months for fast-track mergers. NCLT backlogs or complicated rules can make timelines far longer than they should be.

## INSOLVENCY RESOLUTION

### 1. The CIRP Process: A Professional's View

The Corporate Insolvency Resolution Process represents a major change in how India addresses financial problems. CIRP differs from standard winding-up procedures because it prioritises going-concern sales and operational continuity. The procedure is well thought out, but it is hard to put into action, and resolution professionals and advisers need to be very skilled at navigating it.

### 2. Important Factors for Success

Based on successful solutions recommended by top law firms and RBI's December 2024 review, the main elements for success are:

- **Early Intervention:** Cases initiated immediately after a default have far higher resolution rates. The 28,818 cases that were dropped before admission (worth Rs 10.22 lakh crore) show that IBC has a deterrent effect.
- **Competent Resolution Professional:** Choosing experienced RPs with expertise in the field is

directly linked to good results. The IBBI's enhanced professional standards aim to improve this dimension.

- **Effective CoC Coordination:** When all creditors work together, especially when they have different financial and operational needs, decisions are made faster. The employment of facilitators, added in the February 2025 revisions, is very important for real estate proceedings involving more than 1,000 creditors.
- **Operational Continuity:** Keeping the business going during CIRP keeps its value. Section 14's moratorium provides people with the space they need, but active operational management remains very important.
- **Competitive Bidding Process:** Strong marketing and a large number of qualified bidders help you secure the highest price. For the 17 cases that RBI sent to NCLT, under Section 35AA, the average amount recovered was 50% of the admitted claims and 190% of the liquidation value.

### 3. Challenges faced

Experience from major restructuring practices shows that several challenges arise due to issues not getting properly addressed and absence of fall-back plan for mitigation. Also there exists too much litigation by stakeholders leading to delays in timeline, increased costs and loss of value for assets under consideration. Early engagement with stakeholders, a clear methodology, and the required deadlines under the IBC Amendment Bill, 2025 can help alleviate the issues to some extent.

Insufficient information memorandum, interests by few bidders only, non-attractive prices for assets, and longer timelines for due diligence are also key issues that need to be effectively dealt with. Full data room, expert advisors, and platforms for virtual data rooms, can be helpful to some extent.

Disruption of operations during CIRP can cause Loss of customers, problems with suppliers, employees leaving, and assets physically and in value getting lower valuations. It also involves maintaining a well-structured operational management team, supplier guarantees, and packages to keep employees, hold to the restructuring entity.

Difficult group structures arise due to problems with inter company claims, assets becoming mixed up, and finding a complete answer to these issues is a major pain point. The Amendment Bill, 2025 for the group insolvency framework, starting with the CIRP in a coordinated way, helps in the process.

Disputes about eligibility under Section 29A, disqualification of bidders, restarting the process, and delays in resolution, verification of eligibility up front, full declarations, and legal checks of ownership structures also create a set of conditions that must be passed before a viable resolution plan can be tabled.

The rules under the IBC Amendment Bill, 2025 on group insolvency, statutory deadlines, and the CIRP are intended to address many of these problems systematically.

## NEW TRENDS AND FUTURE DIRECTIONS

### 1. Digital Transformation and AI Integration

The professional services sector's own reorganisation, driven by AI and automation, can teach businesses a lot about how to change. The Government's introduction of an integrated technology platform for IBC in the 2024 budget shows that they recognise technology can help speed up processes and clarify matters.

### 2. Changes in Cross-Border Restructuring

The IBC Amendment Bill 2025- cross-border insolvency framework, based on UNCITRAL principles, is a major step forward in India's integration with global restructuring practices. This framework enables foreign bankruptcy cases to be recognised, for Indian and foreign courts to operate together, and for multinational business groups to be resolved in a coordinated way.

Recent court decisions show that courts are increasingly inclined to apply comity principles in cross-border insolvency cases. The revisions made in September 2024 that allow reverse-flip mergers (a foreign parent into an Indian wholly owned subsidiary) through fast-track procedures demonstrate that policymakers are aware of how investment patterns are shifting and that global corporate structures need flexible restructuring tools, and this can help in ease of doing business and cut down timelines for resolution plan execution.

### 3. ESG and Sustainability Issues

Environmental, Social, and Governance (ESG) issues are increasingly important to restructuring plans. Resolution plans now often include ESG pledges, which show that sustainable business models add value over time. Top consulting firms say that sustainability consulting is one of the fastest-growing areas. BCG's move into sustainability consulting through BCG X is a good example of this trend.

For organisations in trouble, ESG factors affect both the likelihood of resolving the issue and how well they perform after it is resolved. Environmental liabilities need to be carefully assessed during due diligence; social factors affect how stakeholders are involved, and plans for resolving problems often focus on improving governance.

## SUGGESTIONS AND BEST PRACTICES

### 1. For Compliance Professionals and Company Secretaries

- **Create Early Warning Systems:** Use strong financial monitoring to spot warning signs of trouble before they lead to default. The IBC's threat works best when it is used early on at the beginning.
- **Keep your business documentation, financial records, and important contracts organised and easy**

to find so that you are always ready to restructure. The quality of the information has a big effect on how well restructuring works.

- **Build Advisor Networks:** Get to know your legal, financial, and operational advisors before you need them. Because of time constraints during CIRP, existing relationships are important.
- **Stay up to date on changes to the law:** IBC case law and changes to the Companies Act, 2013 happen quickly, so you need to keep studying. Sign up for updates from IBBI, MCA, and top legal firms.
- **Document Corporate Decisions Thoroughly:** Proper board resolutions, member approvals, and stakeholder communications generate evidence trails critical for regulatory compliance and dispute resolution.

### 2. For Advisors and Resolution Professionals

- **Prioritise Operational Continuity:** To keep entity assets safe during a moratorium, IPs need to manage their operations actively, not merely passively protect them.
- **Engage Stakeholders Proactively:** Maintaining open contact with all types of stakeholders reduces the risk of lawsuits and helps generate support for settlement plans.
- **Use technology to improve the resolution process and reach as many bidders as possible.** For example, use data analytics, virtual data rooms, and digital marketing platforms.
- **Consider other options:** In some circumstances, explore pre-pack insolvency, bilateral discussions, or English Restructuring Plans as alternatives to a full CIRP.
- **Follow Professional Standards:** Following IBBI rules and professional ethics makes you look good, strong on the legal front, and makes it easier to obtain government clearance.

### 3. A brief Framework on the process for Effective Business Restructuring

The diagrams below (see Fig. 1, 2, 3) divide the process into three pillars, and under each pillar, respective stakeholders will have to play their roles effectively to ensure that all efforts in the business restructuring process fall in the right place at the right time. Pillar -3, as a process, needs more commitment from the stakeholders, IP, and IRP so that the outcomes can be more beneficial and visible to society at large and improve the effectiveness of business restructuring, making the economy more vibrant and dynamic, and enable it to act as an accelerator for growth rather than the other way around. While legal and institutional mechanisms seem adequate, the issue is mainly in the effective execution of the tasks to arrive at a workable plan that can stand a commercial test in the real world, as any other options would only be lip service to the process.

Fig - 1



Fig - 2

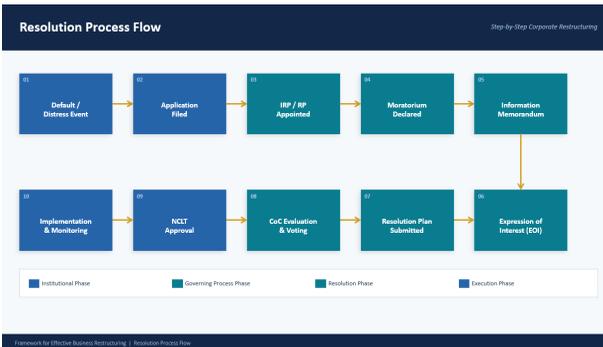
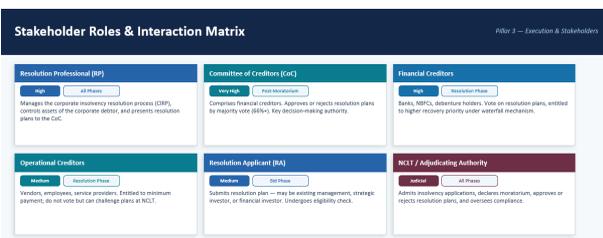


Fig - 3



Source –prepared by Author.

## CONCLUSION

India's corporate reorganisation is a very important point. The IBC has changed the landscape in a big way by making insolvency a real threat, thereby enhancing credit discipline and making it easier to recover stressed assets. The framework's effectiveness is shown by the drop in NPAs in the banking industry from 11.2% to 2.8% and the IBC's rise to prominence as the main recovery tool. This supports the policy approach while also identifying areas for improvement.

The Companies Act, 2013 framework for voluntary restructuring, improved by recent fast-track merger amendments, provides corporations with more ways to reorganise proactively. Combining both distress-driven (IBC) and voluntary (Companies Act, 2013) restructuring paths offers a complete ecosystem that can handle a wide range of business scenarios.

The IBC Amendment Bill 2025- wide-ranging changes, such as addressing procedural delays, creating CIIRP and group

insolvency frameworks, and establishing mechanisms for cross-border cooperation, are well-thought-out ways to address gaps identified.

The ideas from top consulting and legal firms highlight several important aspects. First, successful restructuring needs people with a wide range of skills in finance, law, operations, and strategy. Second, taking action early makes a big difference in the results. Third, clear communication among stakeholders helps everyone get on the same page, making things go more smoothly and speeding up the process. Fourth, combining technology and AI can greatly improve efficiency and analytical skills.

The changing business landscape requires Company Secretaries and compliance experts to continue learning, planning, and maintaining a deep understanding of regulatory frameworks and market practices. The job goes beyond ensuring procedures are followed; it also involves providing strategic advice, which means you need to know how to analyse finances, manage stakeholders, and use new technology.

India's restructuring system is in process of still becoming better. It balances the rights of creditors with the needs of entrepreneurs, the needs of stakeholders with the needs of domestic businesses, and the needs of global businesses with the needs of domestic businesses.

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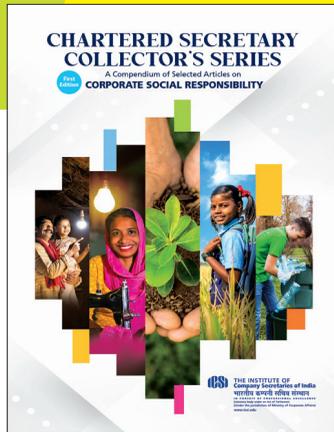




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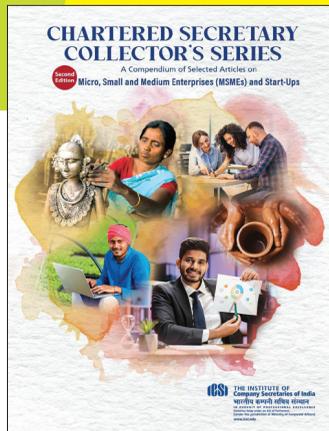
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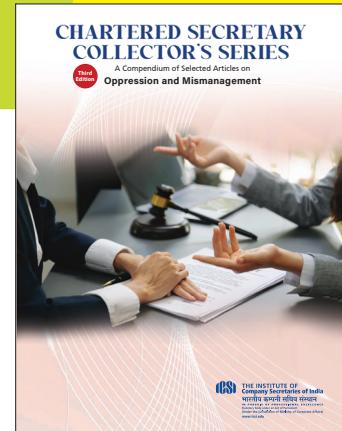
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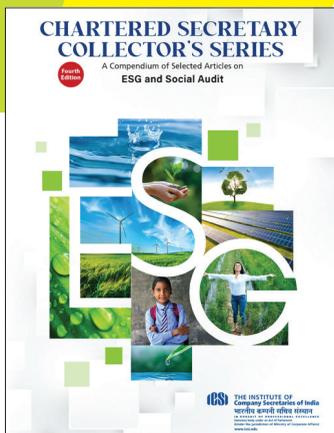
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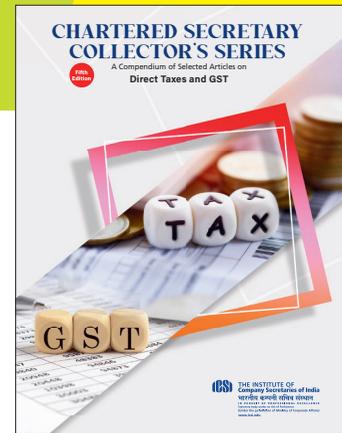
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# Fast Food Epidemic and its effects on health

## Dr. Shakuntala Dawesar

Practising Family Physician & Counselor, Delhi

[shakuntaladawesar@yahoo.co.in](mailto:shakuntaladawesar@yahoo.co.in)

The wide spread consumption of Fast Food in the world today is a cause for grave concern. What exactly do we mean by Fast Food? Fast food is one that is sold ready to eat. These items are generally mass produced and available at many outlets for convenient pick up and consumption. Most of the food is pre-cooked elsewhere and transported for distribution to different parts of the city where the local outlet will generally just assemble and heat / reheat in a microwave before serving or delivering. These foods are generally cooked or fried in Palmolein and contain preservatives to prevent the food from spoiling. Palmolein is liquid palm oil and has a high smoking point which gives it an oxidative stability that enhances the shelf life. But it also has a high level of saturated fat which has been found to increase the LDL cholesterol. High levels of LDL in the body are a known risk factor for heart disease and strokes.

Fast foods are high in calories with little or no nutritive value. They contain high quantities of starch, salt, sugar and fat. Burgers, pizzas, pasta, noodles, French fries, milk shakes, desserts like pastries and cakes and fizzy drinks all belong to the same category as they contain a high dose of sugar and generally, and no fresh ingredients.

Many of the ready-to-eat snacks are sold in sealed packs of different sizes. The packaging materials often contain plastic and some reinforced paper. Some disposable food packaging materials can be bad for health, primarily due to the leaching of chemicals and micro plastics into the food, especially if the food is heated in these containers in the microwave

How do these ingredients, used in the preparation of fast foods affect the health?

The high fat content of these ready to eat foods, increases the calorie intake of the individual and if consumed on a regular basis while maintaining the same life style, then they will cause a gradual increase in weight and eventually lead to obesity. The increased fat intake will also cause an increase in the blood Cholesterol value. Obesity and increased Cholesterol levels in blood pose a risk to the Heart and Cardiovascular system in general. They are both known to increase the chances of Heart attacks by creating blockages in the blood vessels. If a blood vessel supplying the brain is clogged, then it will lead to a stroke. The high salt content in fast foods is due not just to the presence of table salt but also the preservatives used which are Sodium Salts. Over a period of time, the high sodium levels lead to an increase in Blood Pressure. The raised blood pressure further stresses the heart causing it to pump blood with increased vigour. The high levels of sugar in readymade desserts increase the demand for insulin which the body may not always be able to meet.

While it is alright to eat such food once in a while, a regular habit of consumption of such foods, over a period of time is known to increase the incidence of Obesity, Type 2 Diabetes, Hypertension and Heart Disease. Since the sale of fast food is dependent on its attractive presentation and ease of availability all efforts are made to add artificial colours and flavours to attract customers. When children consume fast foods on a regular basis the damage to their bodies is far greater. Diabetes, Obesity High Blood Pressure and Heart Disease were considered to be diseases of adulthood. But now, with the introduction of fast foods in the diet on a frequent basis, these disorders are getting manifest at much younger ages and permanently damaging the liver, and other organs.



The presence of preservatives, chemicals in the artificial colours and flavours also harm the stomach and the digestive tract causing problems like hyperacidity, reflux, bloating and sluggish digestion. The intake of unhealthy quality and quantity of fat present in fast foods, damages the liver causing disorders like fatty liver disease. The liver is a vital organ that is responsible for a variety of functions which include the utilization and storage of the products of digestion which are required for the body to repair and rejuvenate.

The high levels of saturated fats, sodium and refined sugars in fast foods severely damages brain health and studies have shown that this may cause impairment of memory and cognitive functions of the brain, inflammation and even increased risk of stroke. This happens due to these dietary components in the fast food which damage blood vessels, reducing oxygen supply to the brain and inducing structural changes that impair the memory related neurons.

The high saturated fat and sodium content of these fast foods also reduce the Brain Derived Neurotrophic Factor which is needed for learning and memory. Therefore frequent fast food indulgence will eventually cause the learning power and memory to go down. This will result in lower grades during tests in students. Since fast foods cause a spike in dopamine levels and produce a sense of mood elevation, they can become gradually addictive, giving satisfaction only when frequently consumed. These foods also cause mood changes and cravings and can increase the risk of strokes as documented by studies. Brain fog can occur, clouding both memory and judgement. Parents must enlighten their children about these ill effects of fast foods so as to prevent their downhill journey towards ill health.

Does this mean that burgers, pizzas, pasta, noodles, milk shakes, pastries and cakes are all bad for health and should not be consumed? No, the items per se are not bad in small quantities. It is the ingredients used in mass production commercially, that make these foods unhealthy. The very same foods can be made at home from scratch using fresh ingredients and healthier options of fat like groundnut oil, sesame oil or fresh butter. It is essential to wash thoroughly all fruits and vegetables, whole pulses and other grains before cooking in the conventional age-old traditional manner. Artificial colouring and flavouring agents should be avoided. Food can be flavoured with fresh herbs like coriander, mint, and curry leaves. Dried ingredients like jeera and asafoetida too add flavour to many of our Indian dishes.

A healthy diet will go a long way in keeping us fit.



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# 4

## LEGAL WORLD



- Ram Chand & Sons Sugar Mills Pvt. Ltd. v. Kanhaya Lal Bhargava & Ors [SC]
- Anuj Goyal v. Atul Kumar Kinra [NCLAT]
- Kartikeya Rawal v. Inter Globe Aviation Ltd. [CCI]
- Matrix Info Systems Pvt. Ltd. v. Intel Corporation [CCI]
- Dalmia Cement (Bharat) Ltd. v. Ess Ess Technofabs Private Ltd. [Del]
- Raj Kumar Rastogi v. Delhi Press Ltd. [Del]
- Greevas Job Panakkal v. Traco Cable Company Ltd. [Ker]
- Heinen & Hopman Engineering (I) Pvt. Ltd. v. State of West Bengal & Ors [Cal-Db]
- Sri Swamy v. Kumara [Kant]



## Corporate Laws

### Landmark Judgement

LMJ 03:03:2026

**RAM CHAND & SONS SUGAR MILLS PVT. LTD. v. KANHAYA LAL BHARGAVA & ORS [SC]**

Civil Appeal No. 166 of 1966

**K. Subba Rao & V. Ramaswami, JJ. [Decided on 10/03/1966]**

Equivalent citations: AIR 1966 SC 1899; 1967 ALL. L. J. 102; 1967 BLJR 59; 1967 37 Comp Cas 42; 1966 3 SCR 856.

**Civil Procedure Code, 1908 - suit against company-director fails to appear before the court despite many opportunities - defence struck down - whether correct-Held, No.**

#### Brief facts:

The Respondents filed a civil suit against the appellant company. The Trial Court issued summon to the director of the appellant company to appear before it. The director did not appear and the defence of the appellant company was struck down on an application made by the Respondent. The High court also confirmed the order. Hence the present appeal.

**Decision: Allowed.**

#### Reason:

Having regard to the said decisions, the scope of the inherent power of a court under s. 151 of the Code may be defined thus: The inherent power of a court is in addition to and complementary to the powers expressly conferred under the Code. But that power will not be exercised if its exercise is inconsistent with, or comes into conflict with, any of the powers expressly or by necessary implication conferred by the other provisions of the Code. If there are express provisions exhaustively covering a particular topic, they give rise to a necessary implication that no power shall be exercised in respect of the said topic otherwise than in the manner prescribed by the said provisions. Whatever limitations are imposed by construction on the provisions of s.151 of the Code, they do not control the undoubted power of the court conferred under s. 151 of the Code to make a suitable order to prevent the abuse of the process of the court.

The contention of the learned counsel for the appellant is that the director mentioned in r. 3 is the director

mentioned in r. 1 thereof. To put it in other words, the director who signs and verifies the pleadings can only be required to appear personally to answer material questions relating to the suit. Though this contention appears to be plausible, it is not sound, Rules 1, 2 and 3, of O.XXIX of the Code use the words "any director". Under r. 1 thereof a director who is able to depose to the facts of the case may sign and verify the pleadings; under r. 2, a summons may be served upon any director; and under r. 3, any director who may be able to answer material questions relating to the suit may be required to appear personally before the court. The adjective "any" indicates that any one of the directors with the requisite qualifications, prescribed by rr. 1, 2 and 3 can perform the functions laid down in each of the rules respectively. One can visualize a situation where a director who signed and verified the pleadings may not be in a position to answer certain material questions relating to the suit.

If so, there is no reason why the director who may be able to answer such material questions is excluded from the scope of r. 3. Such an interpretation will defeat the purpose of the said rule. Therefore, "any director" in r. 3 need not be the same director who has signed and verified a pleading or on whom summons has been served. He can be any one of the directors who will be in a position to answer material questions relating to the suit.

Even so, learned counsel for the appellant contended that O.XXIX, r. 3 of the Code did not provide for any penalty in case the director required to appear in court failed to do so. By drawing an analogy from other provisions where a particular default carried a definite penalty, it was argued that in the absence of any such provision it must be held that the Legislature intentionally had not provided for any penalty for the said default. In this context the learned counsel had taken us through O.IX, r. 12, O.X, r. 4, O.XI, 21, O.XVI, r. 20, and O.XVIII, rr. 2 and 3 of the Code. No doubt under these provisions particular penalties have been provided for specific defaults. For certain defaults, the relevant Orders provide for making an ex parte decree or for striking out the defence. But it does not follow from these provisions that because no such consequential provision is found in O.XXIX, the court is helpless against a recalcitrant plaintiff or defendant who happens to be a company. There is nothing in O.XXIX of the Code, which, expressly or by necessary implication, precludes the exercise of the inherent power of the court under s. 151 of the Code. We are, therefore, of the opinion that in a case of default made by a director who failed to appear in court when he was so required under O.XXIX, r. 3 of the Code, the court can make a suitable consequential order under s. 151 of the Code as may be necessary for the ends of justice or to prevent abuse of the process of the court.

The next question is whether the court can, as it did in the present case, strike off the defence of the appellant for the default made by its director to appear in court. It cannot be disputed that a company and the directors of the company are different legal personalities. The company derives its powers from the memorandum of association. Some of the powers are delegated to the directors. For

certain purposes they are said to be trustees and for some others to be the agents or managers of the company. It is not necessary in this case to define the exact relationship of a director qua the company. The acts of the directors within the powers conferred on them may be binding on the company. But their acts outside the said powers will not bind the company. It is not possible to hold that the director in refusing to respond to the notice given by the court was acting within the scope of the powers conferred on him. He is only liable for his acts and not the company. If it was established that the company was guilty of abuse of the process of the court by preventing the director from attending the court, the court would have been justified in striking off the defence. But no such finding was given by the courts below.

The orders of the courts below are not correct. We set aside the said orders and direct the Subordinate Judge to proceed with the suit in accordance with law. The appeal is allowed, but, in the circumstances of the case, without costs.

**LW 17:03:2026**

### **ANUJ GOYAL v. ATUL KUMAR KINRA [NCLAT]**

**Company Appeal (AT) (Insolvency) No. 29 of 2026**

**Ashok Bhushan & Barun Mitra. [Decided on 09/01/2026]**

**Insolvency and Bankruptcy Act, 2016- replacement of RP by CoC- objection by homebuyer having 0.25% in CoC- whether tenable-Held, No.**

#### **Brief facts:**

This appeal has been filed by the Appellant challenging the order dated 14.11.2025 passed by the Adjudicating Authority (National Company Law Tribunal), Chandigarh Bench by which I.A. No. 1438 (CH) 2025 filed on behalf of the CoC has been allowed and earlier Resolution Professional has been replaced. The Appellant, a homebuyer having 0.25% share in the CoC has come up in this appeal challenging the impugned order.

**Decision: Dismissed.**

#### **Reason:**

We have heard the learned counsel for the parties and perused the record. The Writ Petition which was filed by the Appellant before the Delhi High Court and order passed therein, as noted above, in no manner preclude the Adjudicating Authority from proceeding to take decision regarding replacement of the Resolution Professional. Admittedly, the IBBI has already suspended the earlier Resolution Professional - Mr. Arvind Kumar, which was taken note in the 26<sup>th</sup> CoC meeting, where it was decided, that the CoC shall not continue with the existing Resolution Professional, therefore, CoC meeting was convened for considering the appointment of new Resolution Professional and CoC passed resolution for appointment of new Resolution Professional, which was accepted by the impugned order. We are of the view that the Adjudicating

Authority did not commit any error in allowing the application by accepting the Resolution Professional as recommended by the CoC. Under the I&C Code, as per Section 27, it is the CoC who has to take decision with regard to replacement of Resolution Professional. When the CoC by a requisite vote has decided to appoint a new Resolution Professional, Appellant who is a homebuyer having 0.25% vote share cannot be allowed to question the appointment of new Resolution Professional by means of this Appeal. We are of the view that no error has been committed in the order of the Adjudicating Authority. Appeal is dismissed.



**LW 18:03:2026**

### **KARTIKEYA RAWAL v. INTER GLOBE AVIATION LTD. [CCI]**

**Case No. 44 of 2025**

**Ravneet Kaur, Anil Agrawal, Sweta Kakkad & Deepak Anurag [Decided on 04/02/2026]**

**Competition Act, 2002- Section 4 – abuse of dominance - airlines - cancellation of confirmed tickets and offering seats in another flight at higher price- whether abuse of dominance-Held, Yes.**

#### **Brief facts:**

The Informant has stated that IndiGo is India's largest airline carrier by fleet and market share. In the first week of December 2025, the airline cancelled hundreds of flights, causing an unprecedented disruption in the aviation industry, leaving lakhs of passengers stranded across the country with no means to return to their homes or make important business travels. Eyeing the opportunity, almost all other available airlines substantially increased the prices for seats across sectors.

The return flights were cancelled by IndiGo a few hours before the scheduled departure time, and no alternate travel arrangement was provided by them. Thus, the Informant had to make his own arrangements. Upon trying to book alternate flights, the informant observed that apart from the seats offered by the other airlines, the seats being offered by IndiGo were being offered at a much higher fare than the usual fare on the same sectors.

This conduct of IndiGo of cancelling its own flights on its own accord and then overcharging the customers is an abuse of dominance and prohibited under the provisions of the Act.

**Decision: Allowed. Investigation by DG ordered.**

**Reason:**

While advertng to the alleged abuse of dominance perpetrated by the OP, it is averred in the Information that on 04.12.2025, the Informant travelled to Delhi from Bangalore and had booked return flight on IndiGo for a sum of INR 7,173. It is alleged that the said return flights were cancelled by the OP a few hours prior to the scheduled departure, without providing any alternate travel arrangements. Consequently, the Informant was compelled to make alternative arrangements on his own. Upon attempting to book alternative flights, the Informant noticed that, apart from limited seats available on other airlines, the fares offered by the OP on the same sectors were significantly higher than the usual fares. Owing to the non-availability of reasonably priced alternatives, the Informant had to wait for two days and eventually travelled back to Bengaluru on another flight operated by the OP at a substantially higher fare of INR 17,000.

It has been further alleged by the Informant that in the month of December, IndiGo cancelled hundreds of flights, causing heavy surge in prices of seats across sectors as well as huge inconvenience to passengers. The Commission notes that the case of the Informant is not a standalone instance. This issue has also been widely reported in the public domain. The aforesaid brings out widespread inconvenience caused to travellers at large due to sudden and massive cancellation of flights with little or no alternatives available. The passengers were left stranded with severely limited options, while fares escalated sharply following the cancellation of 2,507 flights and delays in 1,852 flights, thereby affecting more than three lakh passengers across various airports. As per the press release dated 17.01.2026 issued by the MoCA, a fine of 22.20 crore rupees was imposed on IndiGo for the large-scale delays and cancellations reported during the period from 3<sup>rd</sup> to 5<sup>th</sup> December 2025.

It is observed that passengers who had booked tickets were left with no real choice but to accept last-minute cancellations. Further, passengers were left to seek alternatives, on their own, at significantly higher prices. Given IndiGo's dominant position, consumers were effectively locked in and lacked viable alternatives which appears to be in violation of the provisions of Section 4(2)(a)(i) of the Act.

Additionally, by cancelling thousands of flights constituting a significant portion of the scheduled capacity, IndiGo effectively withheld its service from the market, creating an artificial scarcity, limiting consumer access to air travel during peak demand. Such conduct by a dominant enterprise may be viewed as restricting the provision of services under Section 4(2)(b)(i) of the Act.

The afore-detailed conduct of the OP seems to be prima facie causing an appreciable adverse effect on competition in India. Thus, the Commission is of the opinion that a prima facie case of contravention of the provisions of Sections 4(2)(a)(i) and 4(2)(b)(i) of the Act by the OP is made out in the present matter.

Accordingly, in terms of the provisions contained in Section 26(1) of the Act, the Commission directs the Director General (DG) to cause an investigation to be made into the matter and submit an investigation report within a period of 90 days from the date of receipt of this order.

**LW 19:03:2026**

**MATRIX INFO SYSTEMS PVT. LTD. v. INTEL CORPORATION [CCI]**

**Case No. 05 of 2019**

**Ravneet Kaur, Anil Agrawal, Sweta Kakkad & Deepak Anurag. [Decided on 12/02/2026]**

**Competition Act, 2002- abuse of dominance- parallel imports of boxed microprocessors into India-warranty policy applicable to India did not cover these imported microprocessors- whether abuse of dominance-Held, Yes.**

**Brief facts:**

The Informant stated itself to be a parallel importer of Intel microprocessors in India, which is legally permissible. As per the Informant, parallel imports are beneficial for the consumers as import of goods from a country with lower prices force sellers in the country of destination to reduce prices. The Informant stated that it imports Intel Microprocessors from OP's authorised distributors in other countries and sells the same to consumers in India at competitive prices.

As per the Informant, prior to 2016, Intel used to provide manufacturer's warranty within India on its Boxed Microprocessors ('BMPs') that may have been purchased from any country in the world. However, w.e.f. 25.04.2016, Intel amended its warranty policy for India. As per this new policy, Intel would entertain warranty requests for Intel BMPs in India only when the same are purchased from an authorised Indian distributor of Intel ('India Specific Warranty Policy'). As a result of this India Specific Warranty Policy, OP does not acknowledge warranty requests on its BMPs that are purchased from its authorised distributors in the rest of the world and instead redirects them to country of purchase to avail the warranty.

The Informant stated that such change in warranty policy has been made by OP without any legitimate justification and by doing so, OP has been behaving in a differential manner within the Indian market. As per the Informant, such separate warranty terms of Intel for India vis-à-vis the rest of the world, is arbitrary and unfair towards the Indian market and consumers.

As per the Informant, by way of imposing unfair disadvantage on the independent resellers for selling Intel BMPs at lower prices in comparison to Intel's authorised distributors, Intel is causing Appreciable Adverse Effect on Competition ('AAEC') in terms of Section 19 of the Act.

Based on the above submissions and contentions, the Informant alleged that Intel abused its dominant position by acting in contravention of provisions of Sections 3 and 4 of the Act.

**Decision: Allowed.****Reason:**

Having noted that the 2016 India Specific Warranty Policy of Intel was abusive in nature, the Commission deems it appropriate to deal with the averment of Intel that the DG failed to demonstrate causality between 2016 policy and its purported effects on sale of BMPs given low warranty claims and redirection rates and that there is no AAEC in India on account of change in the warranty policy.

At the outset, the Commission notes the argument of OP that warranty and warranty service are different concepts and OP has not denied warranty on BMPs not purchased from authorised distributors in India rather only redirected to the place of purchase for availing the warranty service. The Commission does not find substance in this argument as sending the product to the place of purchase i.e. outside India for claiming warranty service on a defective product, entails significant costs and time involved in transporting the product. In such a situation, the only alternative available to a consumer/buyer of a defective boxed microprocessor is to get it repaired from a third party in India. However, it must be noted that this alternative is not comparable with a warranty service which ensures replacement with genuine parts unlike dealing with third party parts, which could be less reliable and increase the risk of repeated failures.

With respect to the Informant's allegation of denial of warranty service, OP stated that out of 34 claims raised by the Informant, only 2 were redirected to the country of purchase. Intel asserted that total warranty claims to total BMP sales is less than 2% and redirected warranty claims to total BMP sales is less than 0.1%. It relied on the Report of the Economic Expert to state that India Specific Warranty Policy has affected a tiny fraction of total warranty claims and that the 2016 policy was not a factor in purchase decisions for BMPs as the Informant has also stated in its Information that warranty is not an essential service.

The Commission is of the view that a warranty is one of the relevant factors in purchase of a boxed microprocessor as it protects against manufacturing defects, minimises costs associated with premature failure and also offers peace of mind to the consumer. It also reduces financial risk in case of high-end microprocessors, such as intel i5-11600KF or i9-11900K, which cost approximately INR 33,000 and INR 65,934, respectively.

On the basis of investigation and examination of the matter and considering all other material available on record, the Commission finds that OP has abused its dominant position by imposing unfair and discriminatory India Specific Warranty Policy in respect of boxed microprocessors imported into India from its authorised distributors outside India in contravention of Sections 4(2)(a)(i), 4(2)(b)(i) and 4(2)(c) of the Act causing AAEC in the Indian market, preventing the Indian consumer from availing after sale warranty service on authentic Intel boxed microprocessors in India from 25.04.2016 till 01.04.2024.

With respect to imposition of penalty and submissions regarding mitigating factors, OP put forth its oral arguments at the time of final hearing. OP requested to consider relevant turnover of Intel in India in light of principles laid down by the Hon'ble Supreme Court in Excel Crop Care, impact of its

conduct on the market and consumers, and various mitigating factors, including (a) it has already discontinued the 2016 India Specific Warranty Policy w.e.f. 01.04.2024 which is the subject matter of the instant case, (b) significant business turbulence faced by it in recent times, nature of technological market which is susceptible to disruptions, and (c) cooperation extended by it throughout the proceedings.

With regard to quantum of penalty, the Commission takes into account the contention of OP of considering turnover of boxed microprocessors and also finds the same in line with the Turnover Regulations, 2024. Accordingly, the Commission imposes a penalty of INR 27.38 crore (INR twenty-seven crore and thirty-eight lakh only), upon OP for violating Section 4 of the Act. OP is directed to deposit the penalty amount within sixty (60) days of the receipt of this order.

The Commission, having considered that OP has withdrawn its India Specific Warranty Policy with effect from 01.04.2024, further directs OP, in terms of Section 27(g) of the Act, to widely publicise this change in order to spread awareness about withdrawal of the impugned India Specific Warranty Policy, and submit a compliance report within a period of sixty (60) days from the date of receipt of this order.

**LW 20:03:2026****DALMIA CEMENT (BHARAT) LTD. v. ESS ESS TECHNOFABS PRIVATE LTD. [DEL]****Arbitration Petition No. 1723 & 1725 of 2024****Jasmeet Singh, J. [Decided on 07/02/2026]**

**Arbitration and Conciliation Act, 1996 read with MSMED Act- arbitration before MSFC at Mohali on the application of respondent under MSMED Act- petitioner invoking arbitration under the A & C Act- Whether tenable-Held, No.**

**Brief facts:**

The Petitioner engaged the respondent, which is a MSME, for providing material and services for mechanical fabrication and erection job of two projects. Disputes arose as to payment between them and the Respondent approached the MSEFC Mohali, which referred the matter to arbitration. In the proceedings the petitioner raised objections as to the jurisdiction of the arbitrator. Meanwhile, the Petitioner approached the Dehi High Court for the appointment of arbitrator to adjudicate the disputes.

**Decision: Dismissed.****Reason:**

In the instant petition, the respondent, located in Mohali (Punjab), invoked the statutory mechanism under Section

18 of the MSMED Act at Mohali, Punjab by filing a claim dated 04.08.2023 against the petitioner. Although the agreement between the parties designates Delhi as the seat of arbitration, the arbitration proceedings are being conducted in Mohali only as per the provisions of the MSMED Act.

The Hon'ble Supreme Court in *Harcharan Dass Gupta (Supra)* established that the seat of arbitration in MSME cases is statutorily determined by the supplier's location, not by contractual designation. Since, the respondent prima facie is a MSME located at Mohali, Punjab, the jurisdiction of the facilitation Council located at Mohali was correctly invoked.

From a conspectus of the above discussion, it is clear that the statutory remedy contained in the MSMED Act prevails over any other private arbitration agreement between the parties. A deeming fiction operates to treat this statutory remedy as an arbitration agreement in itself having its own force.

In the arbitration proceeding being conducted at Mohali, the petitioner filed an application under Section 16 before the Facilitation Council challenging its jurisdiction and since the same was not being adjudicated upon, the petitioner herein also filed writ petitions before the Hon'ble Punjab and Haryana High Court, which has directed the MSME to consider Section 16 application and conclude the proceedings expeditiously.

The issues raised by the petitioner in the present petitions are to be seen from the prism of the law contained in Arbitration and Conciliation Act, 1996, while the issues raised by the petitioner in its Section 16 application filed before the Facilitation Council are to be seen from the prism of the MSMED Act. A perusal of the judgment quoted hereinabove shows that once a party to a dispute is a duly registered Micro, Medium or a Small scale Enterprise, the provisions of the MSMED Act, being a special and a later legislation, would prevail. Hence, the present petition cannot be entertained on this ground alone.

The major contention raised by the petitioner in the present petition is that the contracts in question are works contract i.e. composite contract, not covered by the jurisdiction of the MSMED Act, and hence the Facilitation Council lack jurisdiction to adjudicate the disputes herein concerned. The said issue has already been raised by the petitioner in its Section 16 applications concerning both the subject contracts in paragraph No. 3 (I) to 3 (VII) of the respective applications. It is imperative to mention that as a rule of prudence, since the issue has already been directed to be adjudicated by the Facilitation Council by the Hon'ble Punjab and Haryana High Court, it will not be proper for this Court to adjudicate the same once the issue is already pending before the authority which is competent to rule on its own jurisdiction.

In light of the above discussion, I am of the view that the respondent was a registered MSME on the date of execution of agreement between the parties and has rightly invoked the statutory mechanism laid down under the MSMED Act. The same prevails over any private arbitration agreement between the parties as the deeming fiction operates in favour of the statutory remedy.

Additionally, the same contention is pending under Section 16 application before the Facilitation Council and it has already been directed to decide the issues expeditiously. Further, it is no longer res integra that the arbitral tribunal i.e. the Facilitation Council is empowered to rule on its own jurisdiction.

Be as it may, it will not be prudent to decide the same contentions which are already pending before the Facilitation Council. The petitioner may approach this Court in accordance with law once the relevant application is decided by the Facilitation Council. In view of the above it is reiterated that the respondent availed its statutory remedy rightly before the Facilitation Council and jurisdiction of the same has already been challenged on the same grounds as raised in this petition. The Facilitation Council is duly empowered to rule on its own jurisdiction.



## Industrial & Labour Laws

LW 21:03:2026

**RAJ KUMAR RASTOGI v. DELHI PRESS LTD. [DEL]**

LPA No. 353 of 2022

**Subramonium Prasad & Vimal Kumar Yadav, JJ. [Decided on 06/02/2026]**

**Industrial Disputes Act, 1947- appellant as employed as trainee and was paid stipend- upon termination he raised an industrial dispute- Labour Court as well as single judge of the High Court held him to be not a workman- whether correct-Held, Yes.**

### Brief facts:

By way of the Impugned Judgment, the learned Single Judge dismissed the writ petition filed by the Appellant, to uphold the Award dated 23.04.2001 passed by the Labour Court. The Labour Court as well as the learned Single Judge were of the opinion that the Appellant is not a workman within the meaning of Section 2(s) of Industrial Disputes Act, ['ID Act'].

**Decision: Dismissed.**

### Reason:

On going through the entire material on record, this Court observes that the Labour Court as well as the learned Single Judge, after meticulously scanning the entire evidence, arrived at a conclusion that the Appellant has not been able to establish that he is not a Trainee, but a workman within the scope of the ID Act.

The Appellant's case in his Writ Petition was that he was appointed as a full-time grainer by the Respondent-Management and the Appellant has stated so in his examination-in-chief as well. Per contra, the Respondent's stand was that the Appellant was only a trainee, whose training was extended from time to time. It was, therefore, the Appellant who had to prove the material and present witnesses to show that he was not a trainee or that he was not under the supervision or guidance of any person, but was working as a full-time grainer. In fact, the learned Single Judge noted this aspect and observed that the Appellant herein has not even put a suggestion to the Respondent's witness before the Labour Court to prove that he was working as a full-time grainer and not as a trainee.

When two Courts have appreciated the evidence placed before them and arrived to the conclusion that the Appellant is not a workman, this Court, which is the third court, under an LPA, cannot come to a different conclusion simply because it may be a plausible one. It cannot be said that the appreciation of evidence by the learned Single Judge or by the Labour Court is so perverse that no court would have come to that conclusion.

What is more interesting is that in his cross-examination, the Appellant has himself admitted that he did not return to work after 09.06.1986. The Courts below have, therefore, rightly accepted the contention of the Respondent, that it is a case of abandonment of training, which is a ground for termination as per the Appointment Letter.

There is nothing on record to show that the Appellant completed his training and was subsequently employed as a full-time grainer. Without there being any material on record to show that the Appellant performed any skilled, unskilled, manual, technical or operational duties and was working as a full-time grainer, this Court cannot accept the case as put forth by the learned Counsel for the Appellant. In fact, no suggestion was put to the witness to prove that the Appellant was working as a full-time grainer and not as a trainee.

Another contention raised by the learned Counsel for the Appellant is that the Appellant is an apprentice and, therefore, he would be included in the definition of a workman under Section 2(s) of the ID Act. A perusal of the Appointment Letter shows that the Appellant was appointed as a Trainee, and the word 'apprentice' is mentioned only in the last paragraph therein, which by itself would not make the Appellant an apprentice. In any event, Section 18 of the Apprentices Act, 1961 states that apprentices are trainees and not workman, and the provisions of any law in respect of labour shall not apply in relation to the apprentices.

From a perusal of the award dated 28-5-1996 of the Tribunal, it does not appear that the Appellant herein had adduced any evidence whatsoever as regards the nature of his duties so as to establish that he had performed any skilled, unskilled, manual, technical or operational duties. The offer of appointment dated 16-7-1987 read with the Scheme clearly proved that he was appointed as an apprentice and not to do any skilled, unskilled, manual, technical or operational job. The onus was on the Appellant to prove that he is a workman. He failed to prove the same. Furthermore, the duties and obligations of a Development Officer of the Corporation by no stretch of imagination can be held to be performed by an Apprentice.

In light of the foregoing discussion, we find no legal infirmity in the Impugned Judgment passed by the learned Single Judge. The present Appeal is therefore dismissed.

**LW 22:03:2026**

### **GREEVAS JOB PANAKKAL v. TRACO CABLE COMPANY LTD. [KER]**

**WP(C) NO. 5132 of 2025**

**N. Nagaresh, J. [Decided on 13/02/2026]**

**Industrial Disputes Act, 1947- respondent was employed as company secretary- salary was not paid for long time- he resigned- company initiated disciplinary proceedings- refused to accept the resignation – whether correct-Held, No.**

### **Brief facts:**

The Petitioner was the Company Secretary of the 1<sup>st</sup> respondent - Company which is a State Public Sector Undertaking. The petitioner resigned on 18.03.2024 as he was not paid his salary since October 2022. The Respondent-1 company refused to accept the resignation and instead initiated disciplinary proceedings against him. The petitioner challenged both these actions of the Respondent Company in these petitions.

**Decision: Allowed.**

### **Reason:**

The petitioner is working as Company Secretary of the 1<sup>st</sup> respondent-Company since 07.05.2012. The petitioner has an unblemished service of more than 13 years. The petitioner has been discharging his duties to the satisfaction of respondents 1 and 2. From October, 2022 onwards, there was default in payment of salary to the petitioner.

The petitioner's father died on 06.06.2020 and his mother has suffered a stroke and is undergoing treatment for neuro and psychiatric treatment for the past many years. The petitioner therefore had no other option than to search for another job. Company Secretaryship is a statutory position under the Companies Act. They are responsible for ensuring compliance with the Companies Act, 2013 by the Companies. As a Key Managerial Personnel, they play a crucial role in corporate governance and are liable for any non-compliance or defaults.

The petitioner will not be able to join any other organisation as his Company Secretaryship is tied up with the 1<sup>st</sup> respondent-Company and the same is registered as such with the Registrar of Companies under the Ministry of Corporate Affairs. Unless and until the Company forwards necessary form DIR-12 to the Registrar of Companies, the petitioner's Company Secretary membership will be tied up with the 1<sup>st</sup> respondent.

Due to the personal and family pressure and since the petitioner lives without prompt receipt of monthly salary, the petitioner has submitted resignation. The Board of the 1<sup>st</sup> respondent-Company refused to accept the resignation submitted by the petitioner and instead has threatened the petitioner with coercive disciplinary action.

When an employee submits his resignation, the employer has a duty to accept the same and relieve the employee from his duties. This duty of the employer is subject only to any conditions that may be stipulated in the contract of employment, including any stipulation as regards notice period. A resignation can be rejected if resignation does not follow procedure if any, outlined in the employment contract. In case of "Heat of the moment" resignations, the employer may be justified in delaying its acceptance, giving the employee a chance to rescind it.

In the absence of violation of any notice conditions or conditions in the contract of employment, an employer cannot desist from accepting a resignation. Another instance where the employer can refuse to accept resignation, is when disciplinary proceedings are contemplated against the employee for grave misconduct or for causing monetary loss to the establishment.

In any other event, if the employer refuses to accept resignation of an employee, it will amount to bonded labour prohibited under Article 23 of the Constitution of India. Due to the

provisions of the Companies Act, if any Company Secretary is attached to any corporate body, the Company has to register the engagement with the Registrar of Companies. Unless the employer sends statutory request, the name of a Company Secretary will always remain linked to the employer-Company which may cause difficulty for a Company Secretary from seeking appointment elsewhere as Company Secretary.

Financial issues or financial emergency cannot be a reason to force a Company Secretary to work for an incorporated Company against his will and without his consent. The disciplinary proceedings contemplated against the petitioner in the circumstances can only be seen as an attempt by the respondents to violate the right of the petitioner to resign from service.

The writ petitions are therefore allowed. Respondents 1 and 2 are directed to accept resignation letter submitted by the petitioner and relieve him from his services as expeditiously as possible and at any rate within a period of two months. The petitioner shall also be paid arrears of salary, leave surrender benefits and terminal benefits, to which he is legally entitled to as expeditiously as possible subject to the financial position of the Company.

**LW 23:03:2026**

**HEINEN & HOPMAN ENGINEERING (I) PVT. LTD.  
v. STATE OF WEST BENGAL & ORS [CAL-DB]**

**MAT No. 682-685 of 2025**

**Lanusungkum Jamir & Rai Chattopadhyay, JJ. [Decided on 16/02/2026]**

**Industrial Disputes Act, 1947 read with Shops & Establishments Act, 1964 - employer maintaining a pension fund trust for superannuated employees-respondents resigned from the service and payments released - pension was refused - whether correct Held, No.**

**Brief facts:**

The four appeals as mentioned above, deal with the similar issue. The private respondents in the appeals have been working in the appellant company, submitted resignation and were ultimately released on 02.9.2022. All terminal benefits including gratuity were paid to them and accepted by them without any protest and unto the full and final settlement of their dues with the Appellant company.

The Appellant company was maintaining a pension fund trust for superannuated employees. After about six months of their tendering resignation as well as acceptance of terminal benefits including gratuity, the respondents filed statutory Form-N under Rule 31 of the Shops and Establishments Rules 1964, before the Joint Labour Commissioner, Barrackpore, for determination and payment of pension, under the non-contributory pension fund maintained by the present Appellant company. The objections raised by the Appellant were rejected by the Authority and the Single Judge of the High Court as well on appeal. Hence the present appeal.

**Decision: Dismissed.**

**Reason:**

The other issue which has arisen in this appeal is with regard to whether the pension accumulated in the trust fund

under the Scheme of the company amounts to 'wages' as per Payment of Wages Act, 1936 and the West Bengal Shops and Establishments Act, 1963 or not. The appellant's specific reliance has been on Section 2(vi)(3) of the Act of 1963 that, if not the contribution paid by the employer to a pension fund is 'wages' in terms of the said statutory provision, then how can the accumulation of such contribution in that event be termed as wages - as has been allegedly erroneously held by the Hon'ble Single Judge. The answer is not very difficult to find in the settled legal provisions as existent on date particularly, through the judgments referred to by the respondents. The law is absolutely unambiguous and clear that, there should be some amount payable to the recipient/employees upon their fulfilling the expressed or implied terms of contract of employment. The Courts have even extended the scope of the meaning of the word 'wages' to the remuneration which may not have been spelt out in the contract of employment itself but payable to a person upon fulfilling the terms of contract of employment.

This Court concedes to the submission made on behalf of the respondents that, the employee's contribution to the pension fund and actual remittance of pension to the beneficiary employees, are two separate and distinct phenomena. The Court finds that, while providing resources to the fund an employer may not be held statutorily accountable though he is so liable in case of disbursement accumulated pension to an employee who is eligible as per provision made under the governing Rules, like the amended trust deed in the instant case.

The Court finds the proposition of law as above, to be apt and proper. In view of the statute itself, having created a special jurisdiction within the purview of the Act itself and the dispute having been found to be with regard to a subject matter, which is also within the purview of the same statute, the specified and prescribed authority under the statute and not any Civil Court shall exercise power in the said dispute. The authority under the West Bengal Shops and Establishments Act, 1963, should be the appropriate authority, to adjudicate claim as regards 'pension', if and when such 'pension' amounts to 'wages', in accordance with the said statute.

The definition of 'Wages' is enriched with the appropriate interpretation made by the Courts as discussed above. It is the settled law that what would be considered as 'wages' for an employee, as per law, is not dependent only on the terms and conditions incorporated in his service contract, but it may travel beyond. Necessary is that the employee should fulfil his part of duty or obligation under the service contract. Whatever is payable to him by the employer upon satisfaction of this condition by the employee, tantamount to 'wages', as per law. It has no relevance with whether a particular category of pay was expressly included in the service conditions in contract, or not. It is also irrelevant if termination of employment has been due to retirement on attaining the superannuation age or by way of tender of resignation by an employee. These settled legal principles when read with clause (8A) of the amended trust deed of the Appellant company, clearly shows that upon expiry of a specified tenure of completed service, the employees would be entitled for grant of pension irrespective of the fact that they have tendered resignation prematurely, before reaching to the age of superannuation.

Since the respondent's rights arise from the trust deed itself, earned benefits cannot therefore be arbitrarily denied. Pension

vested on completion of service slabs and resignation occurred after completion of qualifying service period. Therefore, in absence of any forfeiture clause being existent in the trust deed, such a resignation does not legally interrupt eligibility of the respondents to the pension, provided under the trust deed.

A non-contributory pension fund vide the trust deed, is maintained by the company as part of its corporate social responsibility (CSR), specifically grounded on ethical, philanthropic and economic concerns being brought into its operations bearing positive impact towards the society at large. It should go beyond profit maximization, focusing on sustainability and ethical practices. It is a well-established doctrine of employment and administrative law that even where a pension scheme is non-contributory (fully funded by the employer), once created, it cannot be administered arbitrarily or whimsically. It becomes a legally enforceable obligation for the employer, not a discretionary favour. Even if the scheme grants any amount of discretion to the employer, that discretion must comply with the fundamental legal principles. Where the pension fund is set up as a trust, as it is in the instant case, the employer cannot treat the fund as its own property or else that would amount to the employer's unjust enrichment, which is prohibited under the law. It is a binding obligation voluntarily created by the employer upon itself. Non-contribution only affects funding mechanism - not the legal enforceability of the fund. Once the employees (the respondents herein) feel eligibility conditions as per law, that pension thereafter becomes a legal right governed by the principles of law and fairness - not by any discretion or whim of the employer. Pension, the employee earns by rendering service, is protected by law. The appellant/company that establishes the non-contributory pension fund assumes a legal obligation to administer the same fairly, lawfully and in accordance with the established legal doctrines.

This Court is unable to find any palpable illegality or gross miscarriage of justice in the judgment and order of the Hon'ble Single Judge and for the said reason no justifiable ground is found to interfere with the same. The amount of pension for which the respondents have found to be eligible in terms of the trust deed, duly falls within the definition of 'wages' as per statute and the employees' application in terms of Rule 31 of the West Bengal Shops and Establishments Rules, 1964 in statutory Form-N is therefore, maintainable before the appropriate authority under the said statute. Hence, no illegality or impropriety is found in the impugned judgment and the appeals, therefore, should be dismissed.

**LW 24:03:2026**

**SRI SWAMY v. KUMARA [KANT]**

**MFA No. 3011 of 2018**

**Tara Vitasta Ganju, J. [Decided on 04/02/2026]**

**Employees Compensation Act, 1923 - appellant worker was assaulted by the respondent employer and later died - criminal complaints were filed against the employer - claim for compensation was refused by the Trial Court on the ground that the death was due to assault and not due to employment injury-whether correct-Held, Yes.**

### **Brief facts:**

The deceased Swamy (original petitioner) was working in a stone quarry belonging to the respondent as a daily wager. He absented himself from work on two days, and thereafter, when he went to work the respondent abused him and assaulted him with a piece of firewood which led to suffering injuries and permanent disability. The claim petition in addition sets out that a police complaint has been lodged against the Employer bearing Crime No. 334/2010, wherein the police have registered a case under Sections 323 and 324 of IPC.

During the course of proceedings before the Trial Court, the deceased was murdered and another complaint was filed against the respondent and his associates and criminal proceedings bearing S.C.No. 38/2011 have been initiated against the respondent. Thus, the claim petition was filed by the petitioners seeking compensation as a result of the injuries which were previously sustained by the original petitioner due to which he was unable to carry out his work.

The learned Trial Court after examining the facts found that although the petitioner was injured, this injury could not be said to be in terms of Section 3 of the Employees' Compensation Act, since it was not arising out of an accident at the workplace. The learned Trial Court held that the injury was an assault and other related offences under Sections 363, 302, 201 read with 149 of IPC. The learned Trial Court also found that the incident complained of can only be termed as an assault and not an accident under Section 3(1) of the E.C. Act.

**Decision: Dismissed.**

### **Reason:**

The only ground for challenge that has been raised by the learned counsel for the appellants is that the incident was not an assault. However, this contention is not borne out from the record. The claim petition filed before the Learned Trial Court sets out that there was no accident, but in fact the respondent/ employer who assaulted the deceased.

In *Daivshala & Ors v. Oriental Insurance Company Ltd. and Another* 2025 SCC OnLine SC 1534, the Supreme Court, while interpreting the meaning of "arising out of and in the course of his employment" has held that, a restrictive meaning has been given to this phrase. Unless an employee can establish that the injury was caused or had its origin in the employment, he cannot succeed in a claim. The accident is to have arisen out of his employment and with a causal connection to the employment.

In view of the foregoing, this Court is unable to find any infirmity with the detailed, reasoned Impugned Judgment passed by the Learned Trial Court, which has held that an assault cannot be termed as 'accident' within the meaning of Section 3 of the E.C. Act. The death subsequent to injury is essentially as a result of assault etc., and the criminal proceedings have already been initiated against the respondent. Thus, it cannot be said that the accident is caused during the course of employment. The appeal is accordingly dismissed.

However, dismissal of this appeal will not preclude the appellants from taking appropriate remedies in accordance with law in relation to the criminal proceedings which are pending *inter se* between the parties.



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# 5

## FROM THE GOVERNMENT

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- Public Notice
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## Corporate Laws

Ministry of Corporate Affairs

### 01 Companies Compliance Facilitation Scheme, 2026-reg.

[Issued by the Ministry of Corporate Affairs F. No. Policy-02/2/2020-CL-V dated 24.02.2026]

The Companies Act, 2013 requires all companies to file the Annual Return and Financial Statements. Fees for filing such statements, documents, returns, etc. are governed by Section 403 of the Companies Act, 2013 read with Companies (Registration Offices and Fees) Rules 2014. With effect from 1<sup>st</sup> July, 2018, an additional fee of Rs. 100/- day is applicable in respect of delay in filing annual returns and financial statements, without any upper limit.

- This Ministry has been taking several initiatives from time to time to provide ease of doing business to the corporates. The number of active companies has crossed the 20 lakh mark and the rate of growth of companies in the country corresponds to the increase in the formalization of the economy, which consists of many new-age entrepreneurs, MSMEs, producer companies, OPCs, etc. The Ministry has received representations from various stakeholders, including these companies, with a request to waive off additional fees through a scheme. It has been noted that some of these companies, including MSMEs and private companies, have not been able to complete their annual compliances in time, leading to a situation of additional financial burden on account of additional fees payable due to delay.
- In order to give a one-time opportunity to allow companies to file their documents related to Annual Return and Financial Statements in the MCA-21 registry, or to file for dormancy/closure, the Central Government, in exercise of the powers conferred under Section 460 read with Section 403 of the Companies Act, 2013, has decided to condone the delay in filing the above-mentioned documents with the Registrar, wherever applicable, through a Scheme namely "Companies Compliance Facilitation Scheme, 2026 (CCFS-2026)". The Scheme is aimed at improving compliance levels and ensuring that the corporate registry reflects accurate and up-to-date information. Additionally, it is aimed at facilitating inactive or defunct entities to opt for dormancy/closure by paying lesser fees.

**DR. AMIT KUMAR, I.C.LS.**  
Deputy Director (Policy)

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 Notification of Amendment

[Issued by the Ministry of Corporate Affairs [F. No. Policy-01/4/2025-CL-V-MCA] dated 10.02.2026]

In exercise of the powers conferred by Section 458 of the Companies Act, 2013 (18 of 2013), the Central Government hereby makes the following amendment in the notification of the Government of India, in the Ministry of Corporate Affairs number S.O. 6225 (E) dated 18<sup>th</sup> December, 2018, published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (ii), dated the 20<sup>th</sup> December, 2018, except as respects things done or omitted to be done before such amendment, namely:-

In the said notification, for the words "Regional Directors at Mumbai, Kolkata, Chennai, New Delhi, Ahmedabad, Hyderabad and Shillong", the words "Regional Directors at Ahmedabad, Bangalore, Chandigarh, Chennai, Guwahati, Hyderabad, Kolkata, Mumbai, Navi Mumbai and New Delhi" shall be substituted.

- This notification shall come into force with effect from 16<sup>th</sup> day of February, 2026.

**BALAMURUGAN DEVARAJ**  
Joint Secretary

### 03 Notification of Amendment

[Issued by the Ministry of Corporate Affairs [F. No. Policy-01/4/2025-CL-V-MCA] dated 10.02.2026]

In exercise of the powers conferred by Section 458 of the Companies Act, 2013 (18 of 2013), the Central Government hereby makes the following amendment in the notification of the Government of India, in the Ministry of Corporate Affairs number S.O. 1354 (E) dated 21<sup>st</sup> May, 2014 published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (ii), dated the 22<sup>nd</sup> May, 2014, except as respects things done or omitted to be done before such amendment, namely:-

In the said notification, for the words "office of Regional Director at Noida", the words and figure "Regional Director, Northern Region Directorate I, Headquarter at New Delhi" shall be substituted.

- This notification shall come into force with effect from the 16<sup>th</sup> day of February, 2026.

**BALAMURUGAN DEVARAJ**  
Joint Secretary

### 04 Notification of Amendment

[Issued by the Ministry of Corporate Affairs [F. No. Policy-01/4/2025-CL-V-MCA] dated 10.02.2026]

In exercise of the powers conferred by Section 458 of the Companies Act, 2013 (18 of 2013), the Central Government

hereby makes the following amendment in the notification of the Government of India, in the Ministry of Corporate Affairs number S.O. 891 (E), dated 31<sup>st</sup> March, 2015 published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (ii), dated the 31<sup>st</sup> March, 2015, except as respects things done or omitted to be done before such amendment, namely:-

In the said notification, for the words “Regional Directors at Mumbai, Kolkata, Chennai, Noida, Ahmedabad, Hyderabad and Shillong”, the words “Regional Directors at Ahmedabad, Bangalore, Chandigarh, Chennai, Guwahati, Hyderabad, Kolkata, Mumbai, Navi Mumbai and New Delhi” shall be substituted.

2. This notification shall come into force with effect from the 16<sup>th</sup> day of February, 2026.

**BALAMURUGAN DEVARAJ**  
Joint Secretary

## 05 Notification of Amendment

**[Issued by the Ministry of Corporate Affairs [E. No. Policy-01/4/2025-CL-V-MCA] dated 10.02.2026]**

In exercise of the powers conferred by Section 458 of the Companies Act, 2013 (18 of 2013), applied to the limited liability partnership vide notification number G.S.R. 333(E), dated the 29<sup>th</sup> April, 2015, the Central Government hereby makes the following amendment in the notification of the Government of India, in the Ministry of Corporate Affairs number S.O. 623 (E), dated 11<sup>th</sup> February, 2022 published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (ii), dated the 11<sup>th</sup> February, 2022, except as respects things done or omitted to be done before such amendment, namely: —

In the said notification, for the words “Regional Directors at Mumbai, Kolkata, Chennai, New Delhi, Ahmedabad, Hyderabad and Guwahati”, the words “Regional Directors at Ahmedabad, Bangalore, Chandigarh, Chennai, Guwahati, Hyderabad, Kolkata, Mumbai, Navi Mumbai and New Delhi” shall be substituted.

2. This notification shall come into force with effect from the 16<sup>th</sup> day of February, 2026.

**BALAMURUGAN DEVARAJ**  
Joint Secretary

## 06 Notification of Amendment

**[Issued by the Ministry of Corporate Affairs [E. No. Policy-01/4/2025-CL-V-MCA] dated 10.02.2026]**

In exercise of the powers conferred by Section 458 of the Companies Act, 2013 (18 of 2013), the Central Government hereby makes the following amendment in the notification of the Government of India, in the Ministry of Corporate Affairs number S.O. 3557 (E) dated 31<sup>st</sup> December, 2015, published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (ii), dated the 31<sup>st</sup> December, 2015, except as respects things done or omitted to be done before such amendment, namely:-

In the said notification, for the words “Regional Directors at Mumbai, Kolkata, Chennai, Delhi, Ahmedabad, Hyderabad and Shillong”, the words “Regional Directors at Ahmedabad, Bangalore, Chandigarh, Chennai, Guwahati, Hyderabad, Kolkata, Mumbai, Navi Mumbai and New Delhi” shall be substituted.

2. This notification shall come into force with effect from the 16<sup>th</sup> day of February, 2026.

**BALAMURUGAN DEVARAJ**  
Joint Secretary

## 07 Notification of Amendment

**[Issued by the Ministry of Corporate Affairs [E. No. Policy-01/4/2025-CL-V-MCA] dated 10.02.2026]**

In exercise of the powers conferred by Section 458 of the Companies Act, 2013 (18 of 2013), the Central Government hereby makes the following amendment in the notification of the Government of India, in the Ministry of Corporate Affairs number S.O. 2938 (E) dated 6<sup>th</sup> September, 2017, published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (ii), dated the 6<sup>th</sup> September, 2017, except as respects things done or omitted to be done before such amendment, namely:-

In the said notification, for the words “Regional Directors at Mumbai, Kolkata, Chennai, New Delhi, Ahmedabad, Hyderabad and Shillong”, the words “Regional Directors at Ahmedabad, Bangalore, Chandigarh, Chennai, Guwahati, Hyderabad, Kolkata, Mumbai, Navi Mumbai and New Delhi” shall be substituted.

2. This notification shall come into force with effect from 16<sup>th</sup> day of February, 2026.

**BALAMURUGAN DEVARAJ**  
Joint Secretary

## 08 Notification of Amendment

**[Issued by the Ministry of Corporate Affairs [E. No. Policy-01/4/2025-CL-V-MCA] dated 10.02.2026]**

In exercise of the powers conferred by Section 454 of the Companies Act, 2013 (18 of 2013) read with the Companies (Adjudication of Penalties) Rules, 2014 and in supersession of the notifications of the Ministry of Corporate Affairs, published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (ii), vide number S.O. 831 (E), dated the 24<sup>th</sup> March, 2015 and number S.O. 2650 (E) dated 25<sup>th</sup> July, 2019 respectively, except as respects things done or omitted to be done before such supersession, the Central Government hereby appoints following Registrars of Companies as adjudicating officers for the purposes of this Act in respect of jurisdictions indicated against each Registrar.

**BALAMURUGAN DEVARAJ**  
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)*

## 09 Notification of Amendment

**[Issued by the Ministry of Corporate Affairs [F. No. Policy-01/4/2025-CL-V-MCA] dated 10.02.2026]**

In exercise of the powers conferred by Section 76A of the Limited Liability Partnership Act, 2008 (6 of 2009) and in supersession of the notification of the Ministry of Corporate Affairs, published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (ii), vide number S.O. 622 (E), dated the 11<sup>th</sup> February, 2022, except as respects things done or omitted to be done before such supersession, the Central Government hereby appoints the following Registrar of Companies as adjudicating officers for the purpose of the said Act in respect of jurisdiction indicated against each Registrar : —

**BALAMURUGAN DEVARAJ**  
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)*

## 10 Notification of Amendment

**[Issued by the Ministry of Corporate Affairs [F. No. Policy-01/4/2025-CL-V-MCA] dated 10.02.2026]**

In exercise of the powers conferred by Section 458 of the Companies Act, 2013 (18 of 2013), the Central Government hereby makes the following amendment in the notification of the Government of India, in the Ministry of Corporate Affairs number S.O. 4090 (E) dated 19<sup>th</sup> December, 2016, published in the Gazette of India, Extraordinary, Part II, Section 3, Sub-section (ii), dated the 19<sup>th</sup> December, 2016, except as respects things done or omitted to be done before such amendment, namely:-

In the said notification, for the words “Regional Directors at Mumbai, Kolkata, Chennai, New Delhi, Ahmedabad, Hyderabad and Shillong”, the words “Regional Directors at Ahmedabad, Bangalore, Chandigarh, Chennai, Guwahati, Hyderabad, Kolkata, Mumbai, Navi Mumbai and New Delhi” shall be substituted.

2. This notification shall come into force with effect from the 16<sup>th</sup> day of February, 2026.

**BALAMURUGAN DEVARAJ**  
Joint Secretary

## 11 Public Notice

**[Issued by the Ministry of Corporate Affairs [F. No.1/27/2013-CL-V(Part)] dated 02.02.2026]**

Rule 12(1) of the Companies (Registered Valuers and Valuation) Rules, 2017, provides for the eligibility criteria for recognition of Registered Valuers Organisations (RVOs). It, *inter alia*, stipulates that an RVO must be registered under Section 25 of the Companies Act, 1956, or Section 8 of the

Companies Act, 2013, with the sole object of dealing with matters relating to regulation of valuers of an asset class or asset classes and has in its bye-laws the requirements specified in Annexure-III of the Rules. However, it does not specify any minimum share capital criteria for recognition as an RVO.

Suggestions have been received for amending Rule 12(1)(i) of the Companies (Registered Valuers and Valuation) Rules, 2017 for prescribing a minimum paid-up share capital criteria for recognition of RVOs. In this regard, it is proposed to prescribe ₹25 lakh minimum paid-up share capital requirement for RVOs by amending such rule. A period up to 31<sup>st</sup> March, 2028 is proposed to be given to existing RVOs to align with this new requirement. Accordingly, a notification proposing amendment in the rules has been prepared and is made available on the portal of the Ministry i.e. [www.mca.gov.in](http://www.mca.gov.in).

It has been decided to invite suggestions/comments on such draft amendment from stakeholders. Suggestions/comments on the draft amendment notification along with justification in brief may be sent latest by 05<sup>th</sup> March, 2026 through e-Consultation Module on the website of Ministry of Corporate Affairs.

**BALAMURUGAN DEVARAJ**  
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)*

### Securities and Exchange Board of India

## 12 Categorization and Rationalization of Mutual Fund Schemes

**[Issued by the Securities and Exchange Board of India vide Circular HO/24/13/15(2)2026-IMD-RAC4/1/5764/2026 dated 26.02.2026]**

1. SEBI vide circular no. SEBI/HO/IMD/DF3/CIR/P/2017/114 dated October 06, 2017, read with circular no. SEBI/HO/IMD/DF3/CIR/P/2020/228 dated November 06, 2020 issued directions regarding categorization and rationalization of Mutual Fund Schemes. The said circulars were consolidated as Clause 2.6 of the Chapter 2 of Master Circular for Mutual Funds dated June 27, 2024 (hereinafter referred as “Master Circular”).

2. To accommodate the continuously evolving landscape of mutual fund investments and the emergence of opportunities across various asset classes, Clause 2.6 of Chapter 2 of the Master Circular stands superseded as under:

2.6 Categories of Schemes, Scheme Characteristics and Type of Scheme (Uniform Description of Schemes):

2.6.1 The Schemes are broadly classified as under:

- A. Equity Scheme: Mutual Fund scheme predominantly investing in equity and equity related instruments;

- B. Debt Scheme: Mutual Fund scheme predominantly investing in debt and debt related instruments;
- C. Hybrid Scheme: Mutual Fund scheme investing in a mix of asset class i.e. equity, debt, InvITs and commodities related instruments as permitted by SEBI.
- D. Life Cycle Funds
- E. Other Schemes:
  - i. Fund of Fund Schemes
  - ii. Passive Schemes for e.g. Index Funds / ETFs

2.6.2 'Residual portion' mentioned in the circular refers to the part of a scheme's corpus not invested in its main, core asset classes as provided in the scheme characteristics.

**ANUPMA CHADHA**  
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 Forms for registration of stock brokers and clearing members

**[Issued by the Securities and Exchange Board of India vide Circular HO/38/11/(5)2026-MIRSD-POD/1/5130/2026 dated 17.02.2026]**

1. Under Schedule I of Securities and Exchange Board of India (Stock Brokers) Regulations, 1992 (repealed), the application forms for registration of stock broker and clearing member along with certificate of registration were specified.
2. SEBI (Stock Brokers) Regulations, 2026 provides that such forms shall be specified by Board or recognised stock exchange. In view of the same, the application forms and certificate of registration have been specified under Annexure.
3. The provisions of this circular shall come into force, retrospectively, from the date of notification of Securities and Exchange Board of India (Stock Brokers) Regulations, 2026 i.e. January 07, 2026.
4. The Stock Exchanges/Clearing Corporations are directed to:
  - 4.1. bring the provisions of this circular to the notice of their members/participants and also disseminate the same on their websites.
  - 4.2. make necessary amendments to the relevant By-laws, Rules and Regulations for the implementation of the above decision;
5. 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 51 of 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 markets.

6. This circular is available on SEBI website at [www.sebi.gov.in](http://www.sebi.gov.in) under the category: 'Legal → Circulars'.

**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)*

## 14 Capacity Planning and Real Time Performance Monitoring framework for Commodity Derivatives Segment of Market Infrastructure Institutions (MIIs)

**[Issued by the Securities and Exchange Board of India vide Circular HO/47/13/14(1)2026-MRD-TPD1/1/4755/2026 dated 11.02.2025]**

1. Clause 16.1.2 of Chapter 16 of SEBI Master Circular for Commodity Derivatives segment dated August 04, 2023 stipulates the following with regard to capacity of the trading system of stock exchanges: -

*16.1.2 The stock exchanges shall have arrangements, procedures and system capability to manage the load on their systems in such a manner so as to achieve consistent response time to all members. The capacity of the trading system of the stock exchange should be at least four times the peak order load encountered and the Exchange system should be upgraded on a regular basis. The stock exchange shall continuously study the performance of its systems and, if necessary, undertake system upgrade, including periodic upgrade of its surveillance system, in order to keep pace with the speed of trade and volume of data that may arise through algorithmic trading.*

2. Vide circular SEBI/HO/MRD/TPD/CIR/P/2024/171 dated December 10, 2024, SEBI issued 'Revised Guidelines for Capacity Planning and Real Time Performance Monitoring framework of Market Infrastructure Institutions (MIIs)'.
3. The provisions of the said circular were applicable to all MIIs except Commodity Derivatives Segment of Stock Exchanges and Clearing Corporations.
4. Based on the representations received from Stock Exchanges with Commodity Derivatives Segment, the capacity planning framework for Commodity Derivatives Segment has been reviewed by SEBI in consultation with Technical Advisory Committee (TAC) of SEBI. On the basis of recommendations of TAC and public consultation carried out vide consultation paper dated June 30, 2025, the following framework is stipulated for the Commodity Derivatives Segment of MIIs w.r.t. the capacity planning and real time performance monitoring of their Critical Information Technology systems and supporting components:

**DARSHIL D. BHATT**  
Deputy 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)*

# 15 Obligations on CRAs while undertaking rating of financial instruments falling under the purview of any other Financial Sector Regulator

[Issued by the Securities and Exchange Board of India vide Circular SEBI/HO/DDHS/DDHS-PoD-2/1/4685/2026 dated 10.02.2026]

1. Regulation 9 (f) of the SEBI (Credit Rating Agencies) Regulation, 1999 (“CRA Regulations”) allow Credit Rating Agencies to rate financial instruments falling under the purview of any other financial sector regulator (“FSR”).
2. In cases where a CRA undertakes rating of instruments falling under the purview of any other financial sector regulator or Authority, then the CRA shall comply with the conditions specified as below -

## 2.1. Separation of Email IDs for handling grievances and disclosures on website

2.1.1. CRA shall handle grievances related to SEBI regulated activities and grievances related to activities under the purview of other FSR(s) through distinct and separate email IDs. Further, CRAs shall maintain separate webpages or sections on their website for disclosures related to SEBI regulated activities and disclosures related to activities under the purview of other FSR(s).

2.1.2. While all resources, including manpower, information technology, etc., related to the investor grievance mechanism can be shared, the email IDs for receiving grievances for SEBI-regulated instruments/ activities and other activities shall be separate.

## 2.2. Minimum Net Worth

2.2.1. CRA shall ensure that the minimum net worth requirement of a CRA, specified under the CRA Regulations, shall not be impacted by the CRA's undertaking rating of financial instruments falling under the purview of other FSR(s).

2.2.2. CRAs should ensure that the net worth stipulations, if any, by other FSR(s) shall be in addition to the minimum net worth requirement specified by SEBI.

**RITESH NANDWANI**

Deputy 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)

# 16 Reporting of value of units of Alternative Investment Funds (AIFs) to Depositories

[Issued by the Securities and Exchange Board of India vide Circular HO/19/34/11(8)2025-AFD-POD1/1/4335/2026 dated 06.02.2026]

1. In terms of Regulation 10 of SEBI (Alternative Investment Funds) Regulations, 2012 (AIF Regulations), AIFs may raise funds from any investor whether Indian, foreign or non-resident Indians by

way of issue of units. The value of units issued by AIFs is calculated based on the valuation of investment portfolio of AIF / scheme of AIF as under:

- 1.1. In terms of Regulation 23(2) of AIF Regulations, Category I and Category II AIFs shall undertake valuation of their investments, at least once in every six months, by an independent valuer appointed by the AIF:

Provided that such period may be enhanced to one year on approval of at least seventy-five percent of the investors by value of their investment in the AIF.

- 1.2. In terms of Regulation 23(3) of AIF Regulations, Category III AIFs shall ensure that calculation of the Net Asset Value (NAV) is independent from the fund management function of the AIF and such NAV shall be disclosed to the investors at intervals not longer than a quarter for close ended funds and at intervals not longer than a month for open ended funds.

2. Further, in terms of Regulation 10(aa) of AIF Regulations and SEBI circular no. SEBI/HO/AFD/PoD/CIR/2023/96 dated June 21, 2023 (Subsumed in Chapter 20 of Master Circular for AIFs dated May 07, 2024), AIFs have been mandated to issue units in dematerialized (demat) form.

3. In view of the above, and to leverage the depository infrastructure for enhancing transparency and operational efficiency, and to facilitate system readiness of AIFs, Registrars and Transfer Agents (RTAs) and Depositories, the following is specified:

- 3.1. AIFs, through their RTAs, shall upload the latest available NAV corresponding to each ISIN of units of the AIF in the depository system before May 01, 2026, or within 30 days from the date of valuation of the investment portfolio, whichever is later.

- 3.2. For the purpose of aforesaid mandate, the valuation date shall be considered as under:

a) In case the valuation is carried out by independent valuers – Date of valuation report.

b) In case the valuation is carried out by an Internal valuers – Date on which the valuation is documented in the internal records of the fund.

- 3.3. The manager of the AIF shall be responsible for ensuring timely and accurate uploading of NAV.

- 3.4. The Depositories shall:

**ANSHUL JAGDISH GOYAL**

Deputy 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)

## 17 Creation/Invocation of pledge of securities through depository system

[Issued by the Securities and Exchange Board of India vide Circular HO/47/14/12(1)2026-MRD-POD2/1/4229/2026 dated 05.02.2026]

1. The framework for pledging of shares through the depository system is prescribed in paragraph 4.13 of the SEBI Master Circular for Depositories dated December 03, 2024 ('Master Circular') read with Regulation 79 of the Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018 ('DP Regulations').
2. In terms of the said framework, the Depositories are, *inter alia*, required to make provisions in their respective bye-laws to provide for the manner of creating and invoking a pledge in accordance with Section 12 of the Depositories Act, 1996 and the DP Regulations.
3. Further, Sections 176 and 177 of the Indian Contract Act, 1872 lay down the rights of the pawnor and pawnee, respectively, and, *inter alia*, require the pawnee to give a reasonable notice of sale to the pawnor prior to selling the pledged assets.
4. In this regard, in order to ensure compliance with the provisions of Sections 176 and 177 of the Indian Contract Act, 1872 in the framework for pledge of securities through Depositories, the following paragraphs shall be inserted after paragraph 4.13.2 in the Master Circular:

*"4.13.3. The Pledge Request Forms of the depositories shall, inter alia, make provision for the pledger and pledgee to undertake the following:*

*4.13.3.1 The pledgee undertakes to provide reasonable notice to the pledger and comply with the requirements of Sections 176 and 177 of the Indian Contract Act, 1872.*

*4.13.3.2 The pledger and pledgee undertake to abide with the provisions of the Indian Contract Act, 1872, the Depositories Act, SEBI Regulations, circulars, and bye-laws in force from time to time, as may be applicable.*

*4.13.4. The Depositories shall maintain a standardized format of the Pledge Request Form.*

*4.13.5. At the time of invocation of pledge, the Depositories shall send an intimation/notification to both pledger and pledgee confirming that the pledge has been invoked and the pledgee has been recorded as "beneficial owner" in terms of Regulation 79(8) of the DP Regulations."*

5. The Depositories are advised to:
  - 5.1. make necessary amendments to relevant bye-laws and rules, for the implementation of this circular;

- 5.2. carry out system changes, if any, for the implementation of this circular; and

- 5.3. bring the provisions of this circular to the notice of their participants and also to disseminate the same on their websites.

6. The provisions of this circular shall be implemented on or before April 6, 2026.
7. 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 Section 26(3) of the Depositories Act, 1996 and Regulation 97 and Regulation 79 of the Securities and Exchange Board of India (Depositories and Participants) Regulations, 2018 to protect the interest of investors in securities and to promote development of, and to regulate securities market.
8. This circular is available on SEBI website at [www.sebi.gov.in](http://www.sebi.gov.in) at "Legal Framework - Circulars."
9. The circular has been issued with the approval of the competent authority.

**SANJAY SINGH BHATI**  
Deputy General Manager

## 18 Calendar Spread margin benefit for Single Stock Derivatives on expiry day

[Issued by the Securities and Exchange Board of India vide Circular HO/47/15/11(2)2025-MRD-TPD1/1/4226/2026 dated 05.02.2026]

1. Chapter 5 of SEBI Master Circular dated December 30, 2024 for Stock Exchanges and Clearing Corporations *inter alia* provides stipulations for calendar spread margin treatment in derivatives segment (Clause 1.2.6). At present, for index derivatives, the benefit of offsetting positions across different expiries ('calendar spread') is not available on the day of expiry for contracts expiring on that day (Clause 1.2.7).
2. On the basis of reference received from trading member(s) with regard to possible risks emanating from calendar spread benefit on expiry day for single stocks and subsequent deliberations with Secondary Market Advisory Committee (SMAC) of SEBI, it is decided that, the benefit of offsetting positions across different expiries shall not be available on the day of expiry for contracts expiring on that day for single stock derivatives.
3. It is clarified that the existing margin calculations for calendar spread positions shall remain unchanged for calendar spread positions involving all expiries other than the contracts expiring on a given day.
4. As an illustration, if monthly expiries are on 29<sup>th</sup> (current month), 30<sup>th</sup> (next month) and 31<sup>st</sup> (far month) respectively, then calendar spread positions involving positions expiring on 29<sup>th</sup> (current month) and 30<sup>th</sup> (next month), or 29<sup>th</sup> (current month) and

- 31<sup>st</sup> (far month), shall not be provided calendar spread treatment on 29<sup>th</sup> (current month expiry). However, calendar spread positions involving positions expiring on 30<sup>th</sup> (next month) and 31<sup>st</sup> (far month) shall continue to receive calendar spread treatment on 29<sup>th</sup> (current month expiry).
- The aforesaid would also align calendar spread treatment for single stocks derivatives with that on index derivatives and would provide sufficient time to the end clients / trading members to bring additional margin on the expiry day or to roll over / close calendar spread positions on expiry day. In the absence of such formulation, there remains a risk of sudden increase in margin on the day following expiry of one leg of the calendar spread position with limited recourse available to trading members in case of margin shortfall / open leg showing significant adverse price movement.
  - This circular shall be effective from three months from the date of the circular.
  - Stock Exchanges and Clearing Corporations are directed to take necessary steps to put in place systems for implementation of this Circular, including necessary amendments to the relevant bye-laws, rules and regulations, if any.
  - This circular is being issued in exercise of powers conferred under Section 11 (1) read with 11(2)(a) of the Securities and Exchange Board of India Act, 1992 to protect the interests of investors in securities and to promote the development of, and to regulate the securities market.
  - This circular is available on SEBI website at [www.sebi.gov.in](http://www.sebi.gov.in) under the category “Legal Circulars”.

**DARSHIL D. BHATT**  
Deputy General Manager

## 19 Revision of Order-to-Trade Ratio (OTR) framework

**[Issued by the Securities and Exchange Board of India vide Circular HO/47/11/16(2)2025-MRD-POD2/1/4113/2026 dated 04.02.2026]**

- Para 7.1.2.2, 7.1.2.3, 11.2.14 and 11.2.15 of Chapter 2 of the Master Circular for Stock Exchanges and Clearing Corporations (‘Master Circular’) dated December 30, 2024, prescribe the framework for placing effective economic disincentive by Stock Exchanges for high order-to-trade ratio (OTR) of Algorithmic orders placed by Trading Members (TMs).
  - Taking into account the representations received from the Stock Exchanges, deliberations held with the various stakeholders and recommendations of the Secondary Market Advisory Committee of SEBI, it is decided to carry out the following modifications in the aforesaid framework:
    - For equity option contracts, orders within  $\pm 40\%$  of LTP (premium) or  $\pm \text{INR } 20$ , whichever is higher, shall be exempted from the framework for imposing penalty for high OTR.
- The Algorithmic orders placed by Designated Market Makers for market making activity shall not be considered towards computation of OTR.
- Accordingly, para 11.2.14.1 and 11.2.14.2 of Chapter 2 of the Master Circular, are modified as under:
    - “11.2.14.1. Orders placed within the range of  $\pm 0.75\%$  of the LTP shall be exempted from the framework for imposing penalty for high OTR. However, for equity option contracts, orders placed within the range of  $\pm 40\%$  of LTP (premium) or  $\pm \text{INR } 20$ , whichever is higher, shall be exempted from the framework for imposing penalty for high OTR.”*
    - 11.2.14.2. OTR framework shall be applicable to the orders placed in the cash segment and the derivative segment, including the orders placed under the liquidity enhancement schemes. However, the algorithmic orders placed by Designated Market Makers for market making activity shall be exempted from the framework for imposing penalty for high OTR.”*
  - The provisions of this circular shall come into effect from April 06, 2026.
  - The Stock Exchanges are accordingly advised to:
    - Make necessary amendments to the relevant bye-laws, rules and regulations for the implementation of the above decision, as may be necessary/ applicable.
    - Bring the provisions of this circular to the notice of the market participants (including TMs) and to disseminate the same on their website.
  - 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.
  - This circular is available on SEBI website at [www.sebi.gov.in](http://www.sebi.gov.in) at “Legal → Circulars”.

**SANJAY SINGH BHATI**  
Deputy General Manager

**Reserve Bank of India**

## 20 Reporting under Foreign Exchange Management Act, 1999 – Returns pertaining to External Commercial Borrowing (ECB)

**[Issued by the Reserve Bank of India vide RBI/2025-26/223 A.P. (DIR Series) Circular No. 23 dated 18.02.2026]**

Attention of Authorised Persons is invited to the Master Direction – Reporting under Foreign Exchange Management Act, 1999. The Reserve Bank has issued the

Foreign Exchange Management (Borrowing and Lending) (First Amendment) Regulations, 2026 dated February 09, 2026 (published in the official gazette on February 16, 2026) for revising the External Commercial Borrowing (ECB) Framework. The forms for returns pertaining to ECB, prescribed under the Master Direction *ibid*, have been modified in light of the revised ECB Framework.

2. In view of the above, Part V - Annex I and Part V - Annex II of the Master Direction – Reporting under Foreign Exchange Management Act, 1999 shall be substituted with the format given at Annex I (Form ECB 1 / Revised Form ECB 1) and Annex II (Form ECB 2) to this circular respectively.
3. Authorised Persons may bring the contents of the circular to the notice of their customers/ constituents concerned.
4. The directions contained in this circular have been issued under Sections 10(4), 11(1) and 11(2) of the Foreign Exchange Management Act, 1999 (42 of 1999) and are without prejudice to permissions / approvals, if any, required under any other law.
5. These directions shall come into force with immediate effect.

**DR. ADITYA GAIHA**

Chief General Manager-in-Charge

## 21 Unique Transaction Identifier for OTC Derivative Transactions

**[Issued by the Reserve Bank of India vide RBI/2025-26/222 CO.FMRD.MIOD. No.8/11.01.057/2025-26 dated 18.02.2026]**

The Unique Transaction Identifier (UTI) has been conceived as one of the key data elements identified globally for reporting over-the-counter (OTC) derivative transactions with a view to enable policy makers to obtain a comprehensive view of the OTC derivatives market.

2. At present, all transactions in OTC markets for Rupee interest rate derivatives, forward contracts in Government securities, foreign currency derivatives, foreign currency interest rate derivatives, and credit derivatives are reported to the Trade Repository managed by Clearing Corporation of India Limited (CCIL-TR). It has now been decided to mandate UTI for all such transactions. A framework for the implementation of UTI for OTC derivative transactions, is enclosed at Annex.
3. The directions shall come into effect from January 01, 2027 and shall be applicable to OTC derivative transactions entered into on or after the date the directions come into effect.
4. These directions have been issued in exercise of the powers conferred under Section 45W of the Reserve Bank of India Act, 1934 read with Section 45U of the Act and of all the powers enabling it in this behalf.

**DIMPLE BHANDIA**

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)*

## 22 Foreign Exchange Management (Borrowing and Lending) (First Amendment) Regulations, 2026

**[Issued by the Reserve Bank of India vide Notification No. FEMA 3(R) (5)/2026-RB dated 09.02.2026]**

In exercise of the powers conferred by sub-section (2) of Section 6, sub-section (2) of Section 47 of the Foreign Exchange Management Act, 1999 (42 of 1999), the Reserve Bank of India hereby makes the following amendments to the Foreign Exchange Management (Borrowing and Lending) Regulations, 2018 (Notification No. FEMA 3(R)/2018-RB dated December 17, 2018) (hereinafter referred to as the 'Principal Regulations'), namely:

### 1. Short title and commencement –

- (1) These regulations shall be called the Foreign Exchange Management (Borrowing and Lending) (First Amendment) Regulations, 2026.
- (2) They shall come into force from the date of their publication in the Official Gazette.
- (3) External Commercial Borrowings for which a Loan Registration Number (LRN) has been obtained before these regulations coming into effect shall continue in compliance with the then applicable regulations, except reporting which shall be undertaken as per the amended regulations.

### 2. Amendment to Regulation 2 – In the Principal Regulations, Regulation 2 shall be substituted by the following regulation, namely:-

#### “2. Definitions –

- (1) In these regulations, unless the context otherwise requires:
  - (a) “Act” means the Foreign Exchange Management Act, 1999 (42 of 1999);
  - (b) “arm’s length basis” means a transaction between two related parties that is conducted as if the transacting parties were unrelated, so that there is no conflict of interest;
  - (c) “Authorised Bank” shall have the same meaning as assigned to it in the Foreign Exchange Management (Deposit) Regulations, 2016;
  - (d) “Authorised Dealer (AD)” means a person authorised as an Authorised Dealer under sub-section (1) of Section 10 of the Act;
  - (e) “benchmark rate” means any widely accepted interbank rate or Alternative Reference Rate (ARR) of 6-month tenor, applicable to the currency of borrowing, in case of foreign currency (FCY) external commercial borrowing (ECB) / trade credit (TC). Further,

it means prevailing yield of the Government of India security of corresponding maturity in case of Indian Rupees (INR) denominated ECB / TC;

- (f) “control” –
  - (i) in case of companies, control shall have the same meaning as assigned to it in the Companies Act, 2013; and

**DR. ADITYA GAIHA**

Chief General Manager-in-Charge

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## 23 Formation of new district in the State of Haryana – Assignment of Lead Bank Responsibility

**[Issued by the Reserve Bank of India vide RBI/2025-26/220 FIDD.CO.LBS. BC.No.13/02.08.001/2025-26 dated 16.02.2026]**

The Government of Haryana has notified formation of new district, viz., Hansi in the state of Haryana vide Gazette Notification No. 682-ARIC-03-2025/7392 dated December 19, 2025. Accordingly, it has been decided to designate the Lead Bank of the new district as below:

Sr. No.	Newly Created District	Lead Bank Responsibility assigned to	District Working Code allotted to new district
1	Hansi	Punjab National Bank	02V (to be read as ‘Numeral Zero, Numeral Two and Alphabet V’)

- 2. There is no change in the Lead Banks of the other districts in the state of Haryana.

**NISHA NAMBIAR**

Chief General Manager-in-Charge

## 24 Reserve Bank of India (Small Finance Banks – Financial Statements: Presentation and Disclosures) – Second Amendment Directions, 2026

**[Issued by the Reserve Bank of India vide RBI/2025-26/219 DOR.CRE. REC.410/21.04.018/2025-26 dated 13.02.2026]**

Please refer to the Reserve Bank of India (Small Finance Banks - Financial Statements: Presentation and Disclosures) Directions, 2025 (hereinafter referred to as ‘the Directions’).

- 2. On a review, consequent to the issuance of the Reserve Bank of India (Small Finance Banks – Credit Facilities) Amendment Directions, 2026, and in exercise of the powers conferred by the Sections 21 and 35A of the Banking Regulation Act, 1949 and all other laws enabling the Reserve Bank of India (hereinafter called the Reserve Bank) in this regard, the Reserve Bank being satisfied that it is necessary and expedient in the public interest so to do, hereby issues the Amendment Directions hereinafter specified.

- 3. The Amendment Directions modify the Directions as under:

3(1) In paragraph 10(5) titled ‘Exposures’ of ‘Chapter-III Disclosure in Financial Statements – Notes to Accounts’ of the Directions, the following modifications shall be effected:

3(1)(i) Sub-paragraph 10(5)(ii) shall be deleted.

3(1)(ii) After sub-paragraph 10(5)(ii), the following new sub- paragraph (iia) shall be inserted:

**VAIBHAV CHATURVEDI**

Chief General Manager

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## 25 Reserve Bank of India (Small Finance Banks – Prudential Norms on Capital Adequacy) – Second Amendment Directions, 2026

**[Issued by the Reserve Bank of India vide RBI/2025-26/218 DOR.CRE. REC.409/21-01-002/2025-26 dated 13.02.2026]**

Please refer to the Reserve Bank of India (Small Finance Banks – Prudential Norms on Capital Adequacy) Directions, 2025 (hereinafter referred to as ‘the Directions’).

- 2. On a review, consequent to the issuance of the Reserve Bank of India (Small Finance Banks – Credit Facilities) Amendment Directions, 2026 and in exercise of the powers conferred by the Section 21 and 35A of the Banking Regulation Act, 1949 and all other laws enabling the Reserve Bank of India (hereinafter called the Reserve Bank) in this regard, the Reserve Bank being satisfied that it is necessary and expedient in the public interest so to do, hereby issues the Amendment Directions hereinafter specified.

- 3. The Amendment Directions modify paragraph 74(6) in ‘Chapter IV - Risk weighted assets (RWAs)’ of the Directions as under:

“Issue of irrevocable payment commitment by a bank to clearing corporations of stock exchanges on behalf of its client is a financial guarantee with a CCF of 100 percent. However, capital shall be maintained only on the exposure reckoned as capital market exposure (CME) in terms of paragraph of the Reserve Bank of India (Small Finance Banks - Concentration Risk Management) Directions, 2025. Thus, capital is to be maintained on the amount taken for CME and the risk weight shall be 125 percent thereon.”

- 4. The above amendment shall come into force from the date a bank decides to implement the provisions of the Reserve Bank of India (Small Finance Banks – Credit Facilities) Amendment Directions, 2026 or from April 1, 2026, whichever is earlier.

**VAIBHAV CHATURVEDI**

Chief General Manager

## 26 Reserve Bank of India (Small Finance Banks – Concentration Risk Management) – Amendment Directions, 2026

[Issued by the Reserve Bank of India vide RBI/2025-26/217 DOR.CRE. REC.408/07-03-002/2025-26 dated 13.02.2026]

Please refer to the Reserve Bank of India (Small Finance Banks - Concentration Risk Management) Directions, 2025 (hereinafter referred to as ‘the Directions’).

2. On a review, consequent to the issuance of the Reserve Bank of India (Small Finance Banks – Credit Facilities) Amendment Directions, 2026 and in exercise of the powers conferred by the Sections 21 and 35A of the Banking Regulation Act, 1949 and all other laws enabling the Reserve Bank of India (hereinafter called the Reserve Bank) in this regard, the Reserve Bank being satisfied that it is necessary and expedient in the public interest so to do, hereby issues the Amendment Directions hereinafter specified.
3. The Amendment Directions modify the Directions as under:
  - 3(1)(i) In paragraph 4 of ‘Chapter I - Preliminary’ of the Directions, the following sub-paragraphs shall be inserted:
    - (3A) “**Capital Market Intermediaries (CMI)s**” shall have the same meaning as defined in the Reserve Bank of India (Small Finance Banks – Credit Facilities) Directions, 2025
    - (3B) “**Collateral Security**” or ‘**Collateral**’ shall have the same meaning as defined in the Reserve Bank of India (Small Finance Banks – Credit Facilities) Directions, 2025
    - (8A) “**Non-debt Mutual Funds**” shall mean mutual fund schemes corpus of which are not exclusively invested in debt securities.

**VAIBHAV CHATURVEDI**  
Chief General Manager

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## 27 Reserve Bank of India (Commercial Banks – Undertaking of Financial Services) – Amendment Directions, 2026

[Issued by the Reserve Bank of India vide RBI/2025-26/215 DOR.CRE. REC.406/24-01-041/2025-26 dated 13.02.2026]

Please refer to the Reserve Bank of India (Commercial Banks – Undertaking of Financial Services) Directions, 2025 (hereinafter referred to as ‘the Directions’).

2. On a review, consequent to the issuance of the Reserve Bank of India (Commercial Banks – Credit Facilities) Amendment Directions, 2026, and in exercise of the powers conferred by the Section 35A of the Banking Regulation Act, 1949 and all other laws enabling the Reserve Bank of India (hereinafter called the Reserve

Bank) in this regard, the Reserve Bank being satisfied that it is necessary and expedient in the public interest so to do, hereby issues the Amendment Directions hereinafter specified.

3. The Amendment Directions modify paragraph 18(4) of ‘Chapter-III ‘General Guidelines’ of the Directions as under:
  - 3(1) The sub-paragraph (ii)(a)iii shall be substituted with the following:
 

“Acquisition finance and bridge finance for financing of promoter’s stake in new companies”
  - 3(2) The sub-paragraph (ii)(b) shall be substituted with the following:
 

“Lending to individuals against eligible securities”
4. The above amendments shall come into force from the date a bank decides to implement the provisions of the Reserve Bank of India (Commercial Banks – Credit Facilities) Amendment Directions, 2026 or from April 1, 2026, whichever is earlier.

**VAIBHAV CHATURVEDI**  
Chief General Manager

## 28 Reserve Bank of India (Commercial Banks – Financial Statements: Presentation and Disclosures) – Third Amendment Directions, 2026

[Issued by the Reserve Bank of India vide RBI/2025-26/214 DOR.CRE. REC.405/21.04.018/2025-26 dated 13.02.2026]

Please refer to Reserve Bank of India (Commercial Banks - Financial Statements: Presentation and Disclosures) Directions, 2025 (hereinafter referred to as ‘the Directions’).

2. On a review, consequent to the issuance of the Reserve Bank of India (Commercial Banks – Credit Facilities) Amendment Directions, 2026, and in exercise of the powers conferred by the Sections 21 and 35A of the Banking Regulation Act, 1949 and all other laws enabling the Reserve Bank of India (hereinafter called the Reserve Bank) in this regard, the Reserve Bank being satisfied that it is necessary and expedient in the public interest so to do, hereby issues the Amendment Directions hereinafter specified.
3. The Amendment Directions modify the Directions as under:
  - 3(1) In paragraph 10(5) titled ‘Exposures’ of ‘Chapter-III Disclosure in Financial Statements – Notes to Accounts’ of the Directions, the following modifications shall be effected:
    - 3(1) (i) Sub-paragraph 10(5)(ii) shall be deleted.

**VAIBHAV CHATURVEDI**  
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)*

## 29 Reserve Bank of India (Commercial Banks – Prudential Norms on Capital Adequacy) – Second Amendment Directions, 2026

[Issued by the Reserve Bank of India vide RBI/2025-26/213 DOR.CRE. REC.404/21-01-002/2025-26 dated 13.02.2026]

Please refer to Reserve Bank of India (Commercial Banks – Prudential Norms on Capital Adequacy) Directions, 2025 (hereinafter referred to as ‘the Directions’).

2. On a review, consequent to the issuance of the Reserve Bank of India (Commercial Banks – Credit Facilities) Amendment Directions, 2026, and in exercise of the powers conferred by the Section 21 and 35A of the Banking Regulation Act, 1949 and all other laws enabling the Reserve Bank of India (hereinafter called the Reserve Bank) in this regard, the Reserve Bank being satisfied that it is necessary and expedient in the public interest so to do, hereby issues the Amendment Directions hereinafter specified.
3. The Amendment Directions modify paragraph 84(6) in ‘Chapter IV - Risk weighted assets (RWAs)’ of the Directions as under:
 

“Issue of irrevocable payment commitment by a bank to clearing corporations of stock exchanges on behalf of its client is a financial guarantee with a CCF of 100 per cent. However, capital shall be maintained only on the exposure reckoned as capital market exposure (CME) in terms of the Reserve Bank of India (Commercial Banks - Concentration Risk Management) Directions, 2025. Thus, capital is to be maintained on the amount taken for CME and the risk weight shall be 125 per cent thereon.”
4. The above amendment shall come into force from the date a bank decides to implement the provisions of the Reserve Bank of India (Commercial Banks – Credit Facilities) Amendment Directions, 2026 or from April 1, 2026, whichever is earlier.

**VAIBHAV CHATURVEDI**  
Chief General Manager

## 30 Reserve Bank of India (Non-Banking Financial Companies – Income Recognition, Asset Classification and Provisioning) – Amendment Directions, 2026

[Issued by the Reserve Bank of India vide RBI/2025-26/210 DOR.STR. REC.413/21-07-001/2025-26 dated 13.02.2026]

Please refer to Reserve Bank of India (Non-Banking Financial Companies – Income Recognition, Asset Classification and Provisioning) Directions, 2025 (hereinafter referred to as ‘the Directions’).

2. Default Loss Guarantee (DLG) arrangements which are otherwise treated as ‘synthetic securitisation’ and are prohibited, were permitted in the limited case of digital lending vide circular dated June 08, 2023. Subsequently, the same was also permitted for co-lending arrangements vide Directions issued on August 06, 2025.

3. On a review, to ensure consistency in application of prudential principles, in exercise of the powers conferred by the Chapter III B of the Reserve Bank of India Act, 1934 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 so to do, hereby issues the Amendment Directions hereinafter specified.
4. These Amendment Directions modify the Directions as under:

New paras 36A, 36B and 36C shall be inserted as below:

### “C1. Provisioning for portfolios covered by Default Loss Guarantee (DLG) arrangements

36A. For loan portfolios covered by Default Loss Guarantee (DLG) arrangements in terms of Chapter III of the Reserve Bank of India (Non-Banking Financial Companies – Credit Facilities) Directions, 2025 and Part B of the Reserve Bank of India (Non-Banking Financial Companies – Transfer and Distribution of Credit Risk) Directions, 2025 both dated November 28, 2025, an NBFC may consider the DLG for determining provisions under the Expected Credit Loss framework across all stages, subject to the requirements as laid down under Indian Accounting Standards, which *inter alia* require the DLG arrangement to be integral to the contractual terms of the loan and the DLG not being recognised separately.

36B. An NBFC shall comply with the disclosure requirements as prescribed under IndAS 1.

36C. Since upon every event of invocation of DLG, the DLG cover reduces to the extent of invocation, an NBFC shall recompute their ECL provisioning requirements across stages, after duly adjusting for the reduced DLG cover.”

5. Consequential amendments have also been made vide Reserve Bank of India (Non-Banking Financial Companies – Credit Facilities) Amendment Directions, 2026 dated February 13, 2026.
6. The above amendment shall come into force immediately.

**VAIBHAV CHATURVEDI**  
Chief General Manager

## 31 Reserve Bank of India (Non-Banking Financial Companies – Credit Facilities) – Amendment Directions, 2026

[Issued by the Reserve Bank of India vide RBI/2025-26/209 DOR.STR. REC.412/21-07-001/2025-26 dated 13.02.2026]

Please refer to Reserve Bank of India (Non-Banking Financial Companies – Income Recognition, Asset Classification and Provisioning) Amendment Directions, 2026.

2. Consequential to the aforesaid Amendment Directions, in exercise of the powers conferred by the Chapter III B of the Reserve Bank of India Act, 1934 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 so to do, hereby issues the Amendment Directions hereinafter specified.
3. These Amendment Directions modify the Reserve Bank of India (Non-Banking Financial Companies – Credit Facilities) Directions, 2025 (hereinafter referred to as ‘the Directions’) as under:

Para 25 (1) of the Directions, shall be substituted as below:

25. (1) Asset classification of individual loan assets and consequent provisioning requirement shall be in terms of the Reserve Bank of India (Non-Banking Financial Companies – Income Recognition, Asset Classification and Provisioning) Directions, 2025.

4. The above amendment shall come into force immediately.

**VAIBHAV CHATURVEDI**  
Chief General Manager

## 32 Reserve Bank of India (Rural Co-operative Banks – Income Recognition, Asset Classification and Provisioning) – Amendment Directions, 2026

**[Issued by the Reserve Bank of India vide RBI/2025-26/208 DOR.STR. REC.411/21-04-048/2025-26 dated 13.02.2026]**

Please refer to Reserve Bank of India (Rural Co-operative Banks – Income Recognition, Asset Classification and Provisioning) Directions, 2025 (hereinafter referred to as ‘the Directions’).

2. With a view to ensuring uniformity in the recognition of overdue income (interest, fee, commission or other income) in Standard advances by Rural Co-operative Banks as well as to harmonise the same in line with other Regulated Entities, it has been decided that in case of Standard advances, banks shall recognise income on accrual basis without the requirement of making any matching provision.
3. Accordingly, in exercise of the powers conferred by the Sections 21, 35A and 56 of the Banking Regulation Act, 1949 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 so to do, hereby issues the Amendment Directions hereinafter specified.
4. The Amendment Directions modifies the Directions as under:
  - i. Paragraph 52 shall be deleted.
  - ii. After paragraph 52, a new paragraph 52A shall be inserted, as under:

**VAIBHAV CHATURVEDI**  
Chief General Manager

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## 33 Strengthening of Grievance Redress Mechanism in Banks – Review

**[Issued by the Reserve Bank of India vide RBI/2025-26/207 CO.CEPD.PRS. No.S1121/13-01-008/2025-2026 dated 11.02.2026]**

Please refer to the circular RBI/2020-21/87 CEPD.CO.PR.D. Cir.No.01/13.01.013/2020-21 on “Strengthening of Grievance Redress Mechanism in Banks” dated January 27, 2021.

2. The instructions contained in the above circular have since been reviewed in the light of subsequent regulatory and supervisory developments. In particular, as part of the Reserve Bank’s consolidation exercise, complaint-related disclosures have since been prescribed under the relevant Master Direction on Financial Statements: Presentation and Disclosures (Directions), dated November 28, 2025. Further, the consumer compensation framework has been strengthened through enhanced compensation limits under the Reserve Bank–Integrated Ombudsman Scheme, 2026, and the Reserve Bank of India (Internal Ombudsman) Directions, 2026 have empowered Internal Ombudsmen to recommend award of compensation. Banks’ grievance redress mechanisms are also subject to supervisory assessment and follow-up through the regular supervisory processes. Accordingly, with a view to rationalise instructions and avoid duplication, it has been decided to withdraw the circular dated January 27, 2021.
3. It is clarified that this withdrawal is without prejudice to the obligations of banks to maintain an effective customer grievance redress mechanism and to continuously strengthen their internal grievance redress systems, in terms of extant regulatory and supervisory instructions and the bank’s own Board-approved policies.
4. Accordingly, the circular dated January 27, 2021, stands withdrawn with immediate effect and shall be treated as repealed from the date of this circular.

**DR. NEENA ROHIT JAIN**  
Chief General Manager

## 34 Lending to Micro, Small & Medium Enterprises (MSME) Sector - (Amendment) Directions, 2026

**[Issued by the Reserve Bank of India vide RBI/2025-26/206 FIDD.MSME & NFS.BC.No.12/06.02.31/2025-26 dated 09.02.2026]**

Please refer to the Master Direction - Lending to Micro, Small & Medium Enterprises (MSME) Sector (Updated as on July 23, 2025) (hereinafter referred to as “the Directions”).

2. On a review, in exercise of the powers conferred by Sections 21 and 35 A of the Banking Regulation Act, 1949, the Reserve Bank of India, being satisfied that it is necessary and expedient in the public interest to do so, hereby, issues the Amendment Directions hereinafter specified.

3. The Amendment Directions modify the Directions as below:
  - i. **Paragraph 4.1** shall be substituted by the following, namely:-
 

**“4.1 Collateral**

    - (a) Banks are mandated not to accept collateral security in the case of loans up to ₹20 lakh extended to units in the MSE sector. Banks are also advised to extend collateral-free loans up to ₹20 lakh to all units financed under the Prime Minister Employment Generation Programme (PMEGP) administered by KVIC.
    - (b) Banks may, on the basis of good track record and financial position of the MSE units, increase the limit to dispense with the collateral requirement for loans up to ₹25 lakh as per their internal policy.
    - (c) Banks may avail the benefit of Credit Guarantee Scheme cover, where applicable.
    - (d) However, accepting gold and silver as collateral pledged voluntarily by borrowers for loans sanctioned by the banks up to the collateral free limit, will not be construed as a violation of the above mandate”.
  - ii. **Paragraph 6.5** shall stand deleted.
4. The above amendment shall come into force for all loans to MSE borrowers sanctioned or renewed on or after April 01, 2026.

**R GIRIDHARAN**  
Chief General Manager

**DIMPLE BHANDIA**  
Chief General Manager

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## 35 Voluntary Retention Route – Imparting predictability and increasing ease of doing business

**[Issued by the Reserve Bank of India vide RBI/2025-26/205 A.P. (DIR Series) Circular No. 21 dated 06.02.2026]**

Please refer to Paragraph 15 of the Statement on Developmental and Regulatory Policies announced as a part of the Bi-monthly Monetary Policy Statement for 2025-26 dated February 06, 2026, on the Voluntary Retention Route (VRR) for FPI investments in debt instruments. 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 Master Direction - Reserve Bank of India (Non-resident Investment in Debt Instruments) Directions, 2025 dated January 07, 2025 (hereinafter “Master Direction”), as amended from time to time.

2. On a review, it has been decided to make the following changes to the regulatory framework governing investments under the VRR:

## 36 All Agency Banks to remain open for public on March 31, 2026 (Tuesday)

**[Issued by the Reserve Bank of India vide RBI/2025-26/204 DoR. CO.SOG(Leg) No.401/09.08.024/2025-26 dated 03.02.2026]**

The Government of India has made a request to keep all branches of the banks dealing with Government receipts and payments open for transactions on March 31, 2026 (Tuesday-Public Holiday) so as to account for all the Government transactions relating to receipts and payments in the Financial Year 2025-26 itself. Accordingly, Agency Banks are advised to keep all their branches dealing with government business open on March 31, 2026 (Tuesday).

2. Banks shall give due publicity about the availability of above banking services on this day.

**DR. SUDARSANA SAHOO**  
Chief General Manager

**Dte. of Printing**

# 6

## NEWS FROM THE INSTITUTE



- 
- Members Restored during the month of January 2026
  - Certificate of Practice surrendered during the month of January 2026
  - COP Allotted details
  - New Admissions
  - Uploading of Photograph (Passport Size only) and Signature
  - Obituaries
  - Change / Updation of Address
-



## Institute News

### LIST OF MEMBERS RESTORED IN THE MONTH OF JANUARY 2026

Sl. No.	Membership No.	Member's Name	Region
1	ACS - 10199	CS MOHAMMAD SALIM	NIRC
2	ACS - 10250	CS EDDALA CHENGALRAYULU	SIRC
3	ACS - 10682	CS SUNIL AGRAWAL	WIRC
4	ACS - 11676	CS PROBAL KUMAR ROY	WIRC
5	ACS - 12404	CS PRASHANT BHATNAGAR	NIRC
6	ACS - 12489	CS CHANDRA PRAKASH VAID	NIRC
7	ACS - 12588	CS V HARISH KUMAR	SIRC
8	ACS - 12710	CS UMAKANTA DAS	WIRC
9	ACS - 12812	CS CHARANDEEP KAUR LAMBA	NIRC
10	ACS - 13019	CS UMA MAHESH CHINTALAPATI	SIRC
11	ACS - 13383	CS ANJULI SIVARAMAKRISHNAN	NIRC
12	ACS - 15375	CS SUJIT KUMAR PANDEY	NIRC
13	ACS - 15377	CS D KRISHNA	SIRC
14	ACS - 15427	CS ANSHOO NAYYAR	NIRC
15	ACS - 16134	CS RAJIV HARLALKA	EIRC
16	ACS - 16223	CS PARAMITA SANYAL	EIRC
17	ACS - 17838	CS SANJAY KUMAR JOHRI	NIRC
18	ACS - 18151	CS PARIMAL SADANAND DEUSKAR	WIRC
19	ACS - 18478	CS VINOD GOEL	NIRC
20	ACS - 20669	CS DIPENDU PRADHAN	EIRC
21	ACS - 21958	CS ABHISHEK PANDEY	SIRC
22	ACS - 23042	CS SHUBHANGI GARG	NIRC
23	ACS - 23192	CS CHAVI MATHUR	NIRC
24	ACS - 23438	CS SMITA TRIPATHI	SIRC
25	ACS - 23578	CS SAURABH DAGA	EIRC
26	ACS - 23821	CS DIVYA PANDITA	WIRC
27	ACS - 24222	CS PRACHI VIJAY MANEKAR	WIRC
28	ACS - 24658	CS KHUSHBOO CHOUDHARY	SIRC
29	ACS - 24723	CS SRIKANTA KUMAR PATTANAYAK	EIRC
30	ACS - 25342	CS RAJESH KUMAR BHANSALI	SIRC

31	ACS - 26429	CS BISWAJIT DAS	EIRC
32	ACS - 26673	CS REEMA SACHDEVA	NIRC
33	ACS - 26920	CS DIVYA KANDOI	SIRC
34	ACS - 28713	CS AKANKSHA SHARMA	NIRC
35	ACS - 29540	CS NEHA DUBEY	NIRC
36	ACS - 29726	CS ROHINI	SIRC
37	ACS - 30145	CS SHASHI SHEKHAR	NIRC
38	ACS - 30616	CS SANDEEP KUMAR GOURISHETTI	SIRC
39	ACS - 30897	CS MANISHA CHHILLAR	NIRC
40	ACS - 30920	CS KANIKA AGGARWAL	NIRC
41	ACS - 31468	CS RUCHI RAVIDAS RANGARI	SIRC
42	ACS - 31757	CS MITALI PRADEEP OZA	WIRC
43	ACS - 32410	CS SAMPADA SURESH NANDGAONKAR	WIRC
44	ACS - 32433	CS NAMRATA MAHESHWARI	NIRC
45	ACS - 33943	CS RAHUL SHARMA	NIRC
46	ACS - 33988	CS KIRTIKA SARKAR	EIRC
47	ACS - 34267	CS PRIYA AMIT MAMRAWALA	WIRC
48	ACS - 34351	CS ANITA ASHOKKUMAR CHELLANI	WIRC
49	ACS - 34546	CS SHIVANGI TRIPATHI	NIRC
50	ACS - 35079	CS NEHA JAISWAL	WIRC
51	ACS - 35989	CS YATIKA AGARWALLA	NIRC
52	ACS - 36365	CS MANISHA CHADHA	NIRC
53	ACS - 36540	CS AASTHA MUNDHRA	EIRC
54	ACS - 36846	CS DINESH SAINI	WIRC
55	ACS - 37202	CS TANISHKA GUPTA	WIRC
56	ACS - 37817	CS SHALINI JAIN	WIRC
57	ACS - 38280	CS AMIT KUMAR AGARWAL	EIRC
58	ACS - 39390	CS JALPA SANJAY KUMAR SHAH	WIRC
59	ACS - 43118	CS MADHURI JETHANI	NIRC
60	ACS - 43402	CS SURBHI SACHDEVA	NIRC
61	ACS - 43670	CS ATIKA AGARWAL	NIRC
62	ACS - 43945	CS RIDHIMA TAKKAR	NIRC
63	ACS - 47088	CS SHEETAL PRASHAD SINGHAL	WIRC
64	ACS - 48692	CS BANSARI PRAFUL JOSHI	WIRC
65	ACS - 49302	CS ASHISH MEHROTRA	NIRC
66	ACS - 49401	CS RAGHAV AGARWAL	NIRC
67	ACS - 49745	CS MAYUR SHYAM CHITARE	WIRC
68	ACS - 50071	CS SAANYA AGGARWAL	NIRC
69	ACS - 50260	CS HENNA SHARMA	NIRC
70	ACS - 50475	CS SWATI MANGLA	NIRC
71	ACS - 50549	CS JUHI PAREEK	NIRC
72	ACS - 51149	CS PALLAVI MAHESHWARI	SIRC

73	ACS - 51509	CS VANI BANSAL	NIRC
74	ACS - 52469	CS NAMRATA JAWAHAR SURANA	WIRC
75	ACS - 53537	CS AKSHAYA RAJENDRA KOLVANKAR	WIRC
76	ACS - 53881	CS GUPTA SONAM DILIPKUMAR	WIRC
77	ACS - 54011	CS ABHINAV MODI	EIRC
78	ACS - 54101	CS SHUBHAM MODI	WIRC
79	ACS - 54298	CS ALPA PURUSHOTTAM AGRAWAL	WIRC
80	ACS - 54309	CS SHEETAL RAMANLAL THAKAR	WIRC
81	ACS - 54411	CS MITALI MANOJ VAKHARIA	WIRC
82	ACS - 55062	CS DEEP MAHENDRA SHAH	WIRC
83	ACS - 55070	CS LATA MOHANKUMAR DHARMANI	WIRC
84	ACS - 55995	CS SHELLY BISHT	WIRC
85	ACS - 56045	CS SHRADHA SHIVPURIA	WIRC
86	ACS - 56657	CS RAMAN SINGH	NIRC
87	ACS - 58382	CS NEHA SHARMA	SIRC
88	ACS - 58416	CS DEEPAK PANDEY	WIRC
89	ACS - 58643	CS SIVAMALAR PANDI NADAR	WIRC
90	ACS - 58750	CS RINA SINGH	WIRC
91	ACS - 58893	CS PARTEEK GOEL	NIRC
92	ACS - 58895	CS VIDHI ANKIT SHAH	WIRC
93	ACS - 59181	CS NEHA KISHORKUMAR DAGA	WIRC
94	ACS - 59315	CS SHRUTI BUGDE	WIRC
95	ACS - 60200	CS BARSHA	WIRC
96	ACS - 60643	CS SIMERSINGH RAVELSINGH BHATIA	WIRC
97	ACS - 61400	CS PALAK MEHTA	WIRC
98	ACS - 61571	CS JYOTI PRAKASH RAORANE	WIRC
99	ACS - 61736	CS ADITYA	NIRC
100	ACS - 62020	CS S V PRASANTH	SIRC
101	ACS - 62440	CS PREETY SINHA	NIRC
102	ACS - 62548	CS DIPTI SUBHASH PACHOLI	WIRC

103	ACS - 62735	CS POOJA SHAH	WIRC
104	ACS - 62868	CS SWETA SAHAL	SIRC
105	ACS - 63884	CS CHEENA SINDHWANI	NIRC
106	ACS - 65718	CS MANALI MOHAN KADAM	WIRC
107	ACS - 65763	CS POOJA BAJAJ	WIRC
108	ACS - 66564	CS ABHISHEK KUMAR SINGH	NIRC
109	ACS - 66768	CS ARUN CHOUHAN	NIRC
110	ACS - 67088	CS VANDANA AGARWAL	EIRC
111	ACS - 67311	CS SARTHAK JAYESHBHAI PUROHIT	WIRC
112	ACS - 67455	CS ANJANA J	SIRC
113	ACS - 67650	CS HARSHA SACHDEVA	NIRC
114	ACS - 68312	CS POOJA HEGDE	SIRC
115	ACS - 68582	CS BENEJEER GULAM HAIDAR SHAIKH	WIRC
116	ACS - 69314	CS ZENIA JEHANGIR DALAL	WIRC
117	ACS - 70687	CS PRATIK BAJPAI	NIRC
118	ACS - 71013	CS ANJALI ASAWA	NIRC
119	ACS - 71410	CS VISHAL CHANDRAKANT DOSHI	WIRC
120	ACS - 73077	CS ZARNA ASHWINBHAI KHARECHA	WIRC
121	ACS - 73847	CS HARDICK HENRY JOSEPH	WIRC
122	ACS - 74683	CS SNEH MANOJ BHATIA	WIRC
123	ACS - 8456	CS SUPRIYA SHRIVASTAVA	SIRC
124	ACS - 9153	CS SUNDARESAN MURALIDHARAN	SIRC
125	ACS - 9294	CS A K GUPTA	NIRC
126	FCS - 11477	CS NIKUNJ KHANDELWAL	NIRC
127	FCS - 1253	CS A P JAIN	NIRC
128	FCS - 6596	CS GURDEEP KAUR EGAN	NIRC
129	FCS - 7498	CS SANJEEV CHURIWALA	WIRC
130	FCS - 7508	CS GAJENDRA PRATAP SINGH	NIRC
131	FCS - 8113	CS SHOBHNA BAJAJ	NIRC
132	FCS - 8814	CS GIRRAJ KUMAR GUPTA	NIRC
133	FCS - 9579	CS NATHAMEDU KRISHNAN SENTHILKUMAR	SIRC

### CERTIFICATE OF PRACTICE SURRENDERED DURING THE MONTH OF JANUARY 2026

Sl. No.	Member's Name	Membership No.	CoP No.	CP Date	Cancel Date	Region
1	CS ARPITA SINGHAL	A74502	27531	16/08/2024	03/01/2026	NIRC
2	CS AMANDEEP	A76320	28275	20/08/2025	08/01/2026	NIRC
3	CS GAGAN GOEL	A30824	21945	25/04/2019	08/01/2026	NIRC
4	CS ANSHIKA AGARWAL	A72028	28154	07/07/2025	12/01/2026	NIRC
5	CS V MADAN	A5048	21778	28/02/2019	12/01/2026	SIRC
6	CS VARSHITHA N G	A65643	26033	22/08/2022	12/01/2026	SIRC
7	CS ATISH RAVINDRA SHANBHAG	A59120	25848	27/06/2022	16/01/2026	WIRC
8	CS BINOD KILLAMSETTY	A75393	27769	20/12/2024	20/01/2026	EIRC

9	CS TARUN NARDIA	A26099	22246	01/07/2019	20/01/2026	NIRC
10	CS K. NARAYANAN	A13779	27886	25/02/2025	21/01/2026	SIRC
11	CS RUPPAL MISHRA	A55164	26681	31/05/2023	21/01/2026	WIRC
12	CS JITENDRIYA MOHANTY	F8024	27222	10/04/2024	22/01/2026	EIRC
13	CS SAMIKSHA KHANEJA	F5540	26212	25/10/2022	22/01/2026	NIRC
14	CS VIBHU MISHRA	F10067	23475	20/08/2020	22/01/2026	NIRC
15	CS MOHANASUNDARAM MAHENDRAN	A71901	26753	10/07/2023	27/01/2026	SIRC
16	CS PARUL CHHABRA	A32930	27481	25/07/2024	27/01/2026	NIRC
17	CS MEDHA GOKHALE	F11505	15494	10/11/2015	28/01/2026	SIRC
18	CS ARVINDRA SINGH PARMAR	A71706	27174	05/03/2024	31/01/2026	WIRC
19	CS EKTA THAWANI	A46961	23417	10/08/2020	31/01/2026	NIRC

COP Allotted Details	COP
Opening No. allotted on 01-01-2026	28526
Ending No. allotted on 31-01-2026	28581
COP admitted in the month of January 2026 (TOTAL)	56
COP surrendered in the month of January 2026 (TOTAL)	19

### 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>



### 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

### OBITUARIES

Chartered Secretary deeply regrets to record the sad demise of the following members:

**CS K UMAMAHESWARAM** (23-11-1957 – 08-11-2025) an Associate member of the Institute from CHENNAI, TAMIL NADU

**CS DEEPAK KUMAR GOYAL** (18-05-1974 – 10-11-2025) an Associate member of the Institute from DELHI

**CS ROHIT DUA** (22-04-1989 – 07-12-2025) an Associate member of the Institute from MOHALI, PUNJAB

**CS J D SHAH** (03-10-1952 – 05-01-2026) an Associate member of the Institute from VADODARA, GUJARAT

May the Almighty give sufficient fortitude to the bereaved family members to withstand the irreparable loss.

May the departed souls rest in peace.

## 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 Email 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 Pincode 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 Pincode 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 along with Zipcode.

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 dropdown menu.
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.

# ICSI BLOOD Bank Portal



**Dedicated to  
the Service  
of the Nation**

The ICSI Blood Bank Portal has a huge database of blood donors with information on Blood Groups with their location

**To find a donor near you or  
to register as a donor visit  
<https://www.icsi.in/bloodbank/>**

Connect with ICSI

[www.icsi.edu](http://www.icsi.edu)



Online helpdesk : <http://support.icsi.edu>



**THE INSTITUTE OF  
Company Secretaries of India**

**भारतीय कम्पनी सचिव संस्थान**  
IN PURSUIT OF PROFESSIONAL EXCELLENCE  
Statutory body under an Act of Parliament  
(Under the jurisdiction of Ministry of Corporate Affairs)

*Vision*

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

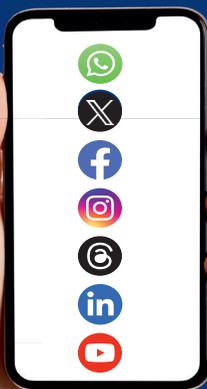
*Motto*

सत्यं वद। धर्मं चर। **एतन्मै रीतेः त्पत्तेः, प्रामाण्यं न्येतेःस्यकस्यकस्यक**

*Mission*

"To develop high calibre professionals facilitating good corporate governance"

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follow the official social media handles of ICSI**



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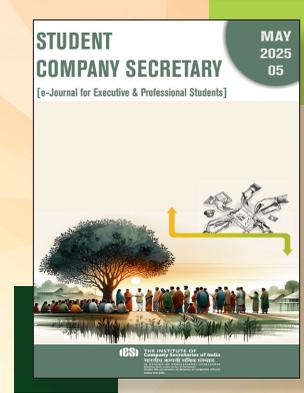
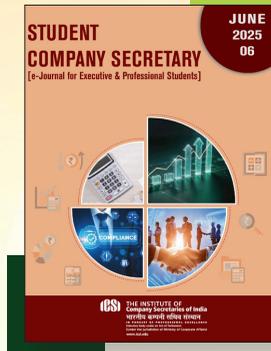
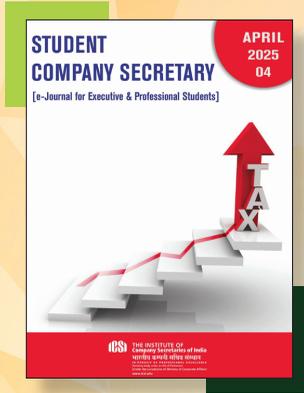
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# STUDENT COMPANY SECRETARY (e-Journal)

## Advertisement Tariff



(With effect from July 2025)

Full Page Advertisement			Half Page Advertisement		
Per Insertion	6 Insertions	12 Insertions	Per Insertion	6 Insertions	12 Insertions
Rs. 17,000	Rs. 88,000	Rs. 1,70,000	Rs. 8,500	Rs. 44,000	Rs. 85,000

MECHANICAL DATA	
Full Page 18x24 cm	Half Page 9x24 cm or 18x12 cm

- ❖ The Institute reserves the right not to accept order for any particular advertisement.
- ❖ The e-Journal is uploaded at [www.icsi.edu](http://www.icsi.edu) during the last week of every month and also circulated among the students. The advertisement material should be sent in the form of typed manuscript or art pull or open file before 20<sup>th</sup> of any month for inclusion in the respective month's issue.

For further information  
Mail to : [academics@icsi.edu](mailto:academics@icsi.edu)  
Ext. 0120-4082171



**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)

# 7

## MISCELLANEOUS CORNER



- GST Corner
- Ethics in Profession
- CG Corner
- Maritime Corner
- ESG Corner
- MSME Corner
- AI Corner
- Gist of ROC Adjudication Orders

## FACILITY FOR WITHDRAWAL FROM RULE 14A DATED 21<sup>ST</sup> FEBRUARY, 2026

GSTN has enabled a new online facility for eligible taxpayers to apply for withdrawal from the option availed under Rule 14A of the CGST Rules by filing Form GST REG-32 on the GST Portal.

*Who can apply:* Active Taxpayers who are registered under Rule 14A, may apply for OPT OUT in accordance with the provisions of the law.

*How to apply on the GST Portal:*

- After login, navigate to: Services -> Registration -> Application for Withdrawal from Rule 14A  
The link will be visible only if the taxpayer is registered under Rule 14A and is active.
- The field “Option for registration under Rule 14A” will be selected as “No” by default.
- Enter “Reason for withdrawal from Rule 14A”.
- Proceed to Aadhaar Authentication tab for Aadhaar Authentication of Primary Authorised Signatory and one Promoter/Partner.

Important timelines:

- Draft application must be submitted within 15 days of creation.
- Aadhaar/Biometric authentication must be completed within 15 days from submission.
- If authentication is not completed within the prescribed time, ARN will not be generated.

**Source:** <https://services.gst.gov.in/services/advisoryandreleases/read/650>

## NOTIFICATION NO. 03/2026 - CENTRAL EXCISE, DATED 1<sup>ST</sup> FEBRUARY, 2026

This notification, issued under Section 5A (1) of the Central Excise Act, 1944, rescinds Notification No. 05/2023 - Central Excise (G.S.R. 78(E) dated February 01, 2023). It takes effect on February 02, 2026, revoking the previous excise duty exemption or concession, while protecting actions taken prior to this date.

**Source:** <https://taxinformation.cbic.gov.in/view-pdf/1010568/ENG/Notifications>

## NOTIFICATION NO. 04/2026 - CENTRAL EXCISE, DATED 1<sup>ST</sup> FEBRUARY, 2026

This notification, issued under Section 5A (1) of the Central Excise Act, 1944, amends the principal Notification No. 03/2025 - Central Excise (dated 31<sup>st</sup> December 2025) to provide specific tax relief for tobacco farmers and primary producers. The full entries for the substituted and newly inserted serial numbers in the notification's table are as follows:

Sl. No. 1 (Substituted): 2401 – Unmanufactured tobacco or tobacco refuse, not bearing a brand name and not packed for retail sale. Rate: Nil.

Sl. No. 1A (Inserted): 2401 – Unmanufactured tobacco or tobacco refuse, other than Sl. No. 1 above (i.e., tobacco bearing a brand name or packed for retail sale). Rate: 18%.

**Source:** <https://taxinformation.cbic.gov.in/view-pdf/1010575/ENG/Notifications>

## NOTIFICATION NO. 23/2026 - CUSTOMS (N.T.), DATED 24<sup>TH</sup> FEBRUARY, 2026

This notification, issued under sub-section (2) of Section 14 of the Customs Act, 1962 (52 of 1962), the Central Board of Indirect Taxes & Customs, amended the notification of the Government of India in the Ministry of Finance (Department of Revenue), No. 36/2001 - Customs (N.T.), dated the 3<sup>rd</sup> August, 2001 to update tariff values for specified edible oils, brass scrap, gold, silver, and areca nuts. Key changes include setting Crude Palm Oil at \$1086/MT, Gold at \$1624/10g, and Silver at \$2817/kg, impacting import valuation for these items.

**Source:** <https://taxinformation.cbic.gov.in/view-pdf/1010587/ENG/Notifications>

## Due Diligence before certifying e-forms during Annual Filings

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 required to exercise due diligence before certifying e-forms for client companies especially during annual filings. Company Secretaries are expected to cross check the details from the statutory registers and records of the company.

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 Practising Company Secretary (hereinafter referred to as ‘the Respondent’).
2. The Complainant has *inter alia* stated that there were two directors in a private limited company (hereinafter referred to as ‘the Company’) since its incorporation, namely, Mr. M, Director (now deceased) and the Complainant himself. The company’s name was struck-off by the ROC in September, 2018 as a consequence of notice STK-1 issued by the ROC. The company had filed revival petition in NCLT without the knowledge of the Complainant through backend procedure and accordingly, an order was passed by NCLT in May, 2019 for revival of the company.
3. The Complainant has stated that after the demise of Mr. M (hereinafter referred to as ‘deceased director’) his son, Mr. MM allegedly appointed himself as director of the company without the knowledge and approval of the Complainant (the only surviving director) and without the following prescribed procedures and compliances required under the Companies Act, 2013 for appointment of new director in the company. The Complainant has further stated that the Respondent had certified Form MGT-7 and Form AOC-4 of the company and filed it before ROC along with the financial statements and Board Reports for the year ended from 2015 to 2018 having signature of only one director, who is deceased now, which is in violation of Section 134(1) and (6) of the Companies Act, 2013. Further, the financial statements attached with the forms for all the years were stamped by notary public, but neither bears the signature of notary public nor his registration number mentioned on it.
4. The Complainant has stated that the balance sheet of the company for the years 2016 to 2020 which is not signed by the Complainant, has been filed with the Registrar of Companies by the alleged director Mr. MM, whose appointment is in question, with his digital signature which has been certified by the Respondent. The Complainant has further stated that the Respondent has falsely mentioned in forms MGT-7 and AOC-4 that the AGM of the company for the financial year ended 31<sup>st</sup> March, 2015 to 31<sup>st</sup> March, 2018 held on 28<sup>th</sup> September, 2015, 30<sup>th</sup> September, 2016, 30<sup>th</sup> September, 2017 and 30<sup>th</sup> September, 2018, respectively, but, no such meeting(s) were held and neither notices of such meeting(s) have been served to the Complainant nor the Complainant has attended any such meeting(s). The Complainant has stated that the Respondent falsely mentioned the dates of board meeting(s) in Form MGT-7 of the company held for the financial year ended 31<sup>st</sup> March, 2015 to 31<sup>st</sup> March, 2018 as neither notices of such board meetings nor agenda and notes on agenda items were given to the Complainant.
5. The Complainant has stated that the financial statements for the year ended 31<sup>st</sup> March, 2015 to 31<sup>st</sup> March, 2018 are back dated and the signature of the deceased director was forged by his son Mr. MM. The Complainant further stated that the financial statement for the year ended 31<sup>st</sup> March, 2017 contains signature of Mr. M (deceased director) under the name of Complainant. Further, the signature of Mr. M when compared from the financial statements for the year ended 31<sup>st</sup> March, 2016 to the year ended on 31<sup>st</sup> March, 2019, the dissimilarity is very much evident despite which the Respondent had certified the forms.
6. The Complainant has stated that the telephone number provided in form MGT-7 is the office telephone number of the Respondent. The Complainant further stated that the forms AOC-4 and MGT-7 for the year ended 31<sup>st</sup> March, 2015 to 31<sup>st</sup> March, 2018 were filed in August, 2020, by the Respondent after the demise of Mr. M. The Complainant has further stated that all the offences in the company have taken place under the guidance of the Respondent. The Complainant further stated that he had also filed case against the Chartered Accountant.
7. The Respondent in his Written Statement has stated that since the company was struck-off and its name was removed from ROC on non-filing of Annual Returns for year ended 31<sup>st</sup> March, 2015 to 31<sup>st</sup> March, 2018 due to which the directors of the company were disqualified, and their DIN were deactivated by ROC. The Respondent

has further stated that during the month of December, 2018, Mr. M, director of the company, has filed petition of the said company under Section 252 of the Companies Act, 2013 before NCLT. The said petition was duly signed by the said director and attested by the notary general at the notary office and the said sign was duly registered and in the same way other documents and attachments filed were signed and attested by Mr. M as director of the company. The Respondent further stated that after signing of petition by the Director, the copy was submitted by the company to ROC, Income tax department and finally original copy with the NCLT. In May, 2019, order for revival of the company was passed by NCLT and ROC was asked to restore the name of said company in the Register of the companies.

8. The Respondent has stated that the company, in compliance with the order of the NCLT, paid penalty of Rs.10,000/- and certified copy of NCLT order was filed before ROC requesting to activate the status of the company for e-filing, which was activated. Since both directors, namely Mr. M and the Complainant were disqualified by ROC and the DIN were deactivated, the ROC asked the company to file offline backend insertion of two directors and accordingly, in July, 2019, necessary documents were filed through Mr. M with ROC and after which the DIN of Mr. MM was inserted by ROC.
9. The Respondent has stated that after the death of Mr. M in July, 2020, Mr. MM and the Complainant along with their other relatives visited the office of the Respondent for seeking legal guidance on their properties as well as on compliance of the NCLT order. Since, at that time MCA filing fees including penalty was very high, the Respondent suggested them to wait for MCA amnesty scheme in future, for which they agreed. The Respondent has stated that at the time of filing Annual Returns with ROC during the period of MCA amnesty scheme, disputes between the Complainant and other director's family has been increased and the Complainant had filed many cases against the family of deceased director. The Respondent has stated that the Annual Returns of the company were not filed within the stipulated time as per NCLT order and there was pressure from ROC that due to further non-filing of annual returns, the company will be struck-off again and the company's directors were insisting the Respondent to file the same because the company was holding some lands in its name. The Respondent further stated that during filing of annual return; to be on safer side and also as standard practice of practicing professionals, the Respondent has attached the same notarized papers and documents which were attached to original petition filed with NCLT.
10. The Complainant vide his Rejoinder reiterated his allegations and stated that for filing the petition under Section 252 of the Companies Act, 2013 before the NCLT, one requires an affidavit verifying the petition from all directors of the company and being one of the directors of the company at that time, the Complainant has not signed any affidavit for verification. The Complainant has further stated that for backend appointment of the director, a meeting of the promoters/shareholders must be held as well as a resolution is to be passed for the appointment of same. The Complainant further mentioned that two names have been stated for the appointment as the director from backend procedure, however, on MCA website, the name of another director is not reflected. The Complainant has questioned the appointment of the Respondent as Company Secretary of the company.
11. The Director (Discipline) prima facie opined that the Respondent is prima facie 'Guilty' of Professional Misconduct under clause (7) of Part I of the Second Schedule to the Company Secretaries Act, 1980 for not exercising due diligence while performing his professional duties. 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) to finally conclude as to whether the Respondent is guilty or not in the matter.
12. The Respondent pleaded 'not guilty' to the charges before the Disciplinary Committee. The Respondent stated that he has not exercised due diligence while certifying the forms AOC-4 and forms MGT-7 of the company for FY 2015, 2016, 2017, 2018 and 2019. The Respondent has further submitted that he has also created false and back dated documents of the company which is clearly evident in the documentary record. The Respondent argued that he was not involved in proceeding for the revival of the company before the NCLT. The Respondent has submitted that he had relied on the notarized papers and documents which were attached to the original petition filed with NCLT before certifying the forms AOC-4 and form MGT-7 of the company for the FY 2015, 2016, 2017, 2018 and 2019.
13. The Disciplinary Committee has observed that the Respondent has certified the forms AOC-4 and form MGT-7 of the company for the FY 2015, 2016, 2017, 2018 and 2019. The Respondent in his Written Statement has admitted that he has not checked the company's record and had relied on the notarized papers and documents, which were attached to original petition filed with NCLT before certifying the forms AOC-4 and form MGT-7 of the company for FY 2015, 2016, 2017, 2018 and 2019. This establishes that the Respondent has not exercised due diligence, while certifying the forms AOC-4 and form MGT-7 of the company for the FY 2015, 2016, 2017, 2018 and 2019 of the company.
14. The Disciplinary Committee held the Respondent 'Guilty' of Professional Misconduct under Clause (7) of Part I of Second Schedule to the Company Secretaries Act, 1980 for not exercising due diligence before certifying the forms AOC-4 and form MGT-7 of the company for the FY 2015, 2016, 2017, 2018 and 2019 of the company. After giving an opportunity of being heard to the Respondent, the Disciplinary Committee passed an Order of 'Reprimand' and Fine of Rupees Twenty-five thousand under Section 21B (3) of the Company Secretaries Act, 1980.

# OECD Due Diligence Guidance for Responsible AI

OECD has released Due Diligence Guidance for Responsible AI<sup>1</sup> that provides practical guidance to enterprises for implementing OECD standards on Responsible Business Conduct (RBC) and the OECD AI Principles when developing and using Artificial Intelligence (AI). It aims to support innovation, investment and growth of enterprises in the AI value chain by helping enterprises proactively address adverse impacts. The report promotes policy coherence, and where possible interoperability, between the OECD and other national or international AI risk management frameworks.

## CHAPTERS OF THE GUIDELINES

The guidelines are broadly classified into two chapters:

*Chapter 1* introduces the concept of RBC due diligence and provides an overview of the broader AI risk management policy landscape. It also describes the target audience and how to use the guidance as a tool to navigate risk management frameworks.

*Chapter 2* lays out the RBC due diligence framework and practical implementation examples for enterprises involved in the development and use of AI systems. The due diligence framework presented in the guidance features a roadmap of related provisions in existing frameworks at the beginning of each step indicating how each step of the due diligence framework is complemented by and relate to relevant provisions from related AI risk management frameworks.

## THE RBC DUE DILIGENCE FRAMEWORK

The Multinational Enterprise (MNE) Guidelines sets out a voluntary due diligence framework for enterprises that governments have committed to actively promote and implement. It outlines the following measures:

1. Embedding responsible business conduct into policies and management systems;
2. Identifying and assessing actual and potential adverse impacts associated with the enterprise's operations, products or services;
3. Ceasing, preventing and mitigating adverse impacts;
4. Tracking implementation and results;
5. Communicating how impacts are addressed;
6. Providing for or co-operating in remediation when appropriate.



These steps are meant to be simultaneous and iterative, as due diligence is an ongoing process that is both proactive and reactive.

## PRIMARY AUDIENCE

The primary audience of the guidance comprises of enterprises classified in three groups:

### Group 1 - Suppliers of AI inputs

### Group 2 - Enterprises actively involved in the design, development, deployment, and operation of AI systems

### Group 3 - Users of the AI system

The guidance may be useful for those developing standards related to responsible AI such as policymakers, regulators, industry-led and multi-stakeholder initiatives that seek to support alignment with international standards. Other relevant audiences may include civil society organisations, workers, workers' representatives, trade unions, industry associations, and national regulatory authorities, including data protection authorities and sectoral oversight bodies. It may be also be relevant for individuals and groups and their representatives that have been or may be adversely impacted by an AI system.

The guidance is intended to provide a framework to support implementation by enterprises of the MNE Guidelines, the RBC Guidance and OECD Recommendation on AI and should be used in conjunction with these standards, as well as other international, national and industry frameworks, initiatives and other sources of risk management information, particularly context-specific guidance that provide more detail on certain risks or use cases.

Acknowledging that relevant AI related regulation and voluntary frameworks differ between countries, enterprises can tailor their due diligence actions to their specific contexts and to the regulatory environments within which they operate. Additionally, compliance with these regulations or frameworks will often contribute towards observances of related provisions of the guidance. Users of the guidance can first read through and understand the core framework provided and practical examples before turning to more context specific resources that are cited in the endnotes or modules accessible on the OECD.

1. [https://www.oecd.org/content/dam/oecd/en/publications/reports/2026/02/oecd-due-diligence-guidance-for-responsible-ai\\_7831bb49/41671712-en.pdf](https://www.oecd.org/content/dam/oecd/en/publications/reports/2026/02/oecd-due-diligence-guidance-for-responsible-ai_7831bb49/41671712-en.pdf)

## EASTERN COASTAL REGION A PROMINENT PART OF THE CURRENT BUDGET'S NUCLEAR AND MARINE ROADMAP

Eastern Coastal Region figured as a prominent part of the current Budget's Nuclear and Marine roadmap, with the State of Odisha getting one of the four Rare Earth Corridors announced across the country, while the enabling provisions for deep sea fishing are also going to be a game-changer.

The discussion covered implementation of the Deep Ocean Mission and enabling policy support for deep sea fishing within India's Exclusive Economic Zone, creating new economic avenues for coastal communities in Odisha. Provisions relating to fisheries and regulatory reforms were also part of the deliberations.

On critical and rare earth minerals, both sides reviewed the potential of developing a rare earth corridor in the eastern region. Expansion of nuclear mineral exploration beyond traditionally concentrated southern states was discussed in this context, opening fresh opportunities for Odisha.

A proposal for establishing a Bio-E3 Cell in Odisha was also taken up. Plans for setting up a new Department of Biotechnology (DBT) centre in the state were discussed, with the Odisha government facilitating land for the same.

<https://www.pib.gov.in/PressReleasePage.aspx?PRID=2226067&reg=3&lang=1>

## CHIDAMBARANAR PORT AUTHORITY, TUTICORIN SECURES PLATINUM RATING FOR SUSTAINABLE, ECO-FRIENDLY BUILDINGS & ENERGY EFFICIENCY CERTIFICATION

V.O. Chidambaranar Port Authority has become India's first Major Port to receive the prestigious IGBC Platinum Rating, the highest certification awarded by the Indian Green Building Council.

The Administration Building follows the Port Authority's Green Policy and waste management plan to support sustainability. It is equipped with rooftop solar panels and a high Solar Reflectance Index (SRI) reflective roof coating, which helps reduce the Urban Heat Island effect and improve energy efficiency. Resource efficiency has been strengthened through IoT-enabled water meters, Indoor Air Quality (IAQ) monitoring systems, rainwater harvesting, and water-saving plumbing fixtures, resulting in a 37% reduction in potable water usage. All wastewater is treated in an on-site Sewage Treatment Plant (STP) and fully reused.

In a significant step towards decarbonization, the Administration Building operates on 100% renewable energy, with 89% of electricity generated on-site through solar power and the remaining 11% sourced from off-site renewable energy sources of the port.

Occupant health, safety, and inclusivity have also been prioritized. The building has a No Smoking Policy, uses eco-friendly housekeeping chemicals, and is equipped with non-slippery ramps, differently-abled-friendly (DAP) toilets, electric wheelchairs, and lifts with Braille and audio assistance, ensuring easy access for senior citizens and differently-abled. To strengthen sustainability practices, VOC Port has seven IGBC Accredited Professionals overseeing effective implementation and continual improvement. The campus boasts over 70% green cover, supported by extensive tree plantation.

In addition, V.O. Chidambaranar Port has also been awarded with Shunya and Shunya Plus certifications by the Bureau of Energy Efficiency (BEE) under the Ministry of Power, Government of India. The Shunya Certification system is based on the principle that a building's total annual energy demand is fully met through on-site or off-site renewable energy sources. A Shunya building is a Net Zero Energy Building, meaning it produces as much green energy as it consumes annually, with an Energy Performance Index (EPI) between 0 and 10 kWh/m<sup>2</sup>/year, focusing on energy efficiency and balance.

A Shunya Plus building is a Net Positive Energy Building that generates more on-site renewable energy than it consumes, with an EPI of less than 0 kWh/m<sup>2</sup>/year, enabling surplus energy to be exported to the power grid. Under this certification, VOC Port's Hospital and CISF Barracks have been awarded with Shunya Plus certification and the Port's Administrative Building and Guest House have been awarded with Shunya certification.

<https://www.pib.gov.in/PressReleasePage.aspx?PRID=2226634&reg=3&lang=1>

## REFORMS IN MARITIME SECTOR DRIVE LANDMARK SHIPBUILDING PROJECT

India's ongoing maritime sector reforms are translating into concrete outcomes in shipbuilding and green shipping, with the signing of a contract between global shipping major CMA CGM and Cochin Shipyard Limited (CSL) for the construction of six 1,700 TEU LNG-fuelled feeder container vessels, signed at an event held in New Delhi.

The vessels will be constructed by Cochin Shipyard Limited in Kochi and will be registered under the Indian flag. The project adds to India's commercial shipbuilding order book and reflects increasing global engagement with Indian shipyards under the Government's policy framework for maritime sector development.

<https://www.pib.gov.in/PressReleasePage.aspx?PRID=2229873&reg=3&lang=1>

## MINISTRY OF PORTS, SHIPPING AND WATERWAYS, LAUNCHES OVER ₹1,500 CRORE PROJECTS AT VOC PORT, BOOSTING GREEN & DIGITAL MARITIME INFRASTRUCTURE

Ministry of Ports, Shipping and Waterways inaugurated and laid the foundation of projects worth more than ₹1,500 crore at V.O. Chidambaranar Port Authority (VOC Port), Tuticorin, marking a major expansion of infrastructure, renewable energy integration and digital modernisation at the port.

A key highlight of the event was the inauguration of the VOC Maritime Heritage Museum, an immersive institution dedicated to India's maritime legacy and the contribution of freedom fighter V.O. Chidambaranar. The museum conceived as a cultural and educational landmark for southern Tamil Nadu and is expected to promote tourism, community engagement and awareness of the Coromandel Coast's maritime history.

<https://www.pib.gov.in/PressReleasePage.aspx?PRID=2231843&reg=3&lang=1>

## IMO SHARPENS PLANS TO ACHIEVE ZERO PLASTIC POLLUTION FROM SHIPS BY 2030

The International Maritime Organization's Sub-Committee on Pollution Prevention and Response has agreed on a draft updated strategy and action plan to tackle plastic pollution from ships, including fishing vessels.

The updated Strategy and Action Plan will focus on:

- Reducing shipping's contribution to ocean plastic pollution;
- Improving effectiveness of port reception facilities and ship waste processing; and
- Strengthening international regulations and compliance.

Actions will also boost seafarer training, public awareness and regulatory knowledge, as well as strengthen technical cooperation and capacity-building for Member States.

<https://www.imo.org/en/mediacentre/pressbriefings/pages/imo-sharpens-plans-achieve-zero-plastic-pollution-from-ships-by-2030.aspx>

## IMO LAUNCHES GLOBAL CAMPAIGN TO PUT MARITIME "POLICY INTO PRACTICE"

The International Maritime Organization (IMO) has launched a two-year global initiative to promote the World Maritime Day theme for 2026-2027: 'From Policy to Practice: Powering Maritime Excellence'.

The campaign seeks to support Member States in deepening their understanding of IMO conventions and strengthening their ability to adopt and enforce them at home. The focus will be around nine pillars:



- *Capacity development and technical cooperation:* Boosting countries' capacity to apply IMO rules, through legislative support, enforcement frameworks and training.
- *Focus on SIDS and LDCs:* Tailored legal assistance and technical support for Small Island Developing States (SIDS) and Least Developing Countries (LDCs), recognising the unique challenges they face, while highlighting achievements.
- *Safety first through innovation:* Translating new safety standards on fuels, automation and digitalization into operational practice through updated training, oversight and risk management.
- *Regulatory readiness for decarbonization:* Equipping States to implement IMO Strategy on the Reduction of GHG Emissions safely, consistently and in line with operational realities.
- *Tackling fraudulent ship registration and maritime fraud:* Developing practical guidance and strengthening due diligence, transparency and data-sharing to prevent unlawful practices and misuse of national flags.
- *Audit driven improvement:* Using IMSAS audit findings as a basis to address legal and enforcement gaps, prioritizing reforms and enhancing oversight and continuous monitoring.
- *Facilitation, digitalization and resilience:* Embedding digital systems, including Maritime Single Windows, into daily port operations to boost efficiency and resilience.
- *Cybersecurity and maritime security:* Integrating cyber risk management into safety management systems, training and port operations to protect global shipping networks.
- *Ocean protection:* Implementing IMO environmental instruments (beyond those for GHG emissions), including on plastics, underwater radiated noise, invasive species and ship recycling, through national laws and day-to-day maritime operations.

<https://www.imo.org/en/mediacentre/pressbriefings/pages/imo-launches-global-campaign-policy-to-practice.aspx>

## MARITIME TERMINOLOGY

### ARRIVED SHIP

In a voyage charter party, the ship must have arrived before laytime can commence. Arrival may be determined by whether the charter party is a “berth” charter party (in which case the vessel can only tender notice once she is at berth) or a port charter party (in which case the vessel can tender notice once she is in port).

The following conditions are required for a vessel to be considered to be an “arrived” vessel:

1. The vessel must have arrived at the loading or discharging berth or port as stipulated in the charter; or so near thereto as she may safely get.
2. The vessel must be fully ready for cargo operations.
3. If and as required, Notice of Readiness (NOR) in writing, as prescribed, must have been tendered to shippers, charterers, merchants, agents or consignees as stipulated in the charter party. Unless otherwise stipulated, NOR may only be required at the first load discharge port.

### BALE

A measurement of the vessel’s carrying capacity, usually for breakbulk cargo, which takes into consideration the inability to load between the vessel’s stanchions or frames.

### BALTIC EXCHANGE

A London institution dedicated to the exchange of information regarding freight contracts and time charter party rates as well as freight futures of larger vessels as well as vessel and demolition values. The Baltic Exchange can trace its origins to the informal discussions between merchants and ship owners at the Virginia and Baltick Coffee House in the mid-1700s. In 1823 an admission procedure instituted, and formal rules for the exchange of information was adopted. In November 2016, the Singapore Exchange acquired the Baltic Exchange.

### BIMCO (THE BALTIC AND INTERNATIONAL MARITIME COUNCIL)

Originally founded as “the Baltic and White Sea Conference” in Copenhagen in 1905, BIMCO remains headquartered in Copenhagen and is an industry association primarily for shipowners although membership is also open to brokers and agents. BIMCO provides its members with industry information and has created many of the contractual forms utilized in shipping, including time and voyage charter parties.

### COMBINED OR MULTIMODAL TRANSPORT

Carriage of goods involving two modes of transport, such as ocean carriage and rail. A bill of lading may be

issued for combined or multimodal transport, and the Carrier under such bill may be responsible for the cargo until the cargo is discharged at the final destination specified under the bill of lading unless the Carrier is acting as agent only during any segment of the transport.

### DEADFREIGHT

Damages payable by a shipper or charterer of a ship for failing to load the amount of cargo stipulated in the contract. Deadfreight is typically payable at the full freight rate.

### GRAIN / GRAIN CAPACITY

Term referring to the cubic capacity of a ship’s holds available for the free-flowing bulk cargo, like grain. Grain Capacity is often expressed in cubic feet or meters.

<https://www.bbc-chartering.com/assets/downloads/guides/BBC-Shipping-Chartering-Guide.pdf>



### YOUR OPINION MATTERS

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The Institute seeks cooperation of all its readers in accomplishing this task for the benefit of all its stakeholders. We solicit your views, opinions and comments which may help us in further improving the varied segments of this journal. Suggestions on areas which may need greater emphasis, new Sections or areas that may be added are also welcome.

You may send in your suggestions to the Editor, Chartered Secretary, The ICSI at [cs.journal@icsi.edu](mailto:cs.journal@icsi.edu)

## GOOGLE LAUNCHES CLIMATE TECHNOLOGY CENTER IN INDIA TO ACCELERATE AI DRIVEN DECARBONIZATION

Google has announced a collaboration with the Office of the Principal Scientific Advisor (PSA) to the Government of India at the India AI Summit, placing climate technology at the forefront of India's digital transformation agenda. As part of this partnership, the Google Center for Climate Technology will be launched on Manthan, PSA's flagship platform aimed at strengthening India's research and development ecosystem. The initiative aligns with India's ambition to lead globally in artificial intelligence while navigating growing energy needs, rapid urban development, and increasing climate risks. By integrating climate-focused innovation into national AI strategies, the collaboration underscores a policy direction that links technological progress with sustainable development.

Designed as a national driver for decarbonization and advanced climate-tech research, the Google Center for Climate Technology will offer access to sustainability-oriented AI models and APIs, while fostering talent development and supporting joint research efforts.

The Center will invite research proposals in three key frontier areas where AI can deliver tangible climate benefits:

- developing a climate-ready workforce equipped with advanced technical skills;
- advancing research and deployment of sustainable aviation fuels;
- enabling low-carbon construction materials to curb emissions from fast-growing urbanization.

<https://esgnews.com/google-launches-climate-technology-center-in-india-to-accelerate-ai-driven-decarbonization/>

## CALIFORNIA, UK DEEPEN CLIMATE PARTNERSHIP AS OCTOPUS ENERGY COMMITS NEARLY \$1 BILLION TO CLEAN TECH

California Governor Gavin Newsom visited the United Kingdom and announced an expanded climate partnership between California and the UK. The goal of the trip was to strengthen cooperation on clean energy, trade, and sustainable development. The visit ended with a major investment announcement and a formal agreement to increase climate collaboration between California, one of the world's largest regional economies and the UK. Newsom and UK Secretary of State for Energy Security and Net Zero, Ed Miliband signed a Memorandum of Understanding to deepen their work together on climate action. The Agreement focuses on innovation, aligning climate policies, and jointly investing in solutions to growing climate risks.

<https://esgnews.com/california-uk-deepen-climate-partnership-as-octopus-energy-commits-nearly-1-billion-to-clean-tech/>

## EGYPT MANDATES CARBON DISCLOSURE, 20% OFFSETS FOR NON-BANK FINANCIAL INSTITUTIONS

Egypt's Financial Regulatory Authority (FRA) has introduced mandatory carbon disclosure and offsetting rules for non-bank financial institutions, signaling a shift from voluntary to enforceable climate accountability. Under Decision No. 36 of 2026, announced on 15 February, 2026 firms with issued capital or net equity above EGP 100 million must measure, disclose, and partially offset their carbon emissions.

Affected institutions are required to report Scope 1 emissions from operations and vehicles and Scope 2 emissions from purchased electricity and cooling, in line with international standards. Disclosures must be independently verified and submitted by the end of June 2026, with future filings aligned to fiscal year-end reporting.

Firms must offset around 20% of their reported emissions by purchasing carbon credits from Egypt's regulated voluntary carbon market within 90 days of filing. Non-compliance may result in administrative penalties and could impact licensing status.

The offset requirement will boost both market liquidity and credibility.

The framework builds on broader reforms enabling sustainable finance, including regulations for green, transition, and sustainability-linked bonds. Larger firms face more extensive disclosures aligned with IFRS S1 and S2 standards. Overall, the decision strengthens Egypt's sustainable finance ecosystem by integrating emissions data, disclosure, and carbon trading into financial regulation, supporting long-term investment resilience and climate goals.

<https://esgnews.com/egypt-mandates-carbon-disclosure-20-offsets-for-non-bank-financial-institutions/>

## EY LAUNCHES SUSTAINABLE OPERATING BLUEPRINT TO EMBED ESG INTO CORE BUSINESS STRATEGY

EY has launched its Sustainable Operating Blueprint, a framework designed to help organizations embed sustainability into core strategy and operations rather than treating it as a standalone reporting function.

The global professional services firm positions this blueprint as a response to a persistent challenge facing companies: translating climate commitments and ESG ambitions into enterprise-wide action that delivers measurable impact and long-term value. Developed amid accelerating climate risks and geopolitical volatility, the framework aims to help organizations align sustainability with risk management, operational resilience, and growth strategy. The blueprint seeks to close this gap by embedding sustainability into



enterprise decision-making, operations, and performance management. Rather than positioning sustainability as a compliance or disclosure exercise, it is framed as a core driver of value creation, resilience, and competitive advantage. The blueprint is described as an AI-enabled, structured roadmap that guides organizations through defining sustainability ambition, assessing current maturity, identifying capability gaps, and prioritizing transformation actions.

By converting sustainability goals into tailored, practical steps that align with each organization's operating model, the framework supports organizations navigating regulatory pressure, supply chain disruption risks, and evolving investor expectations.

The blueprint is built on two foundational pillars:

- (i) Strategic clarity, which helps leadership integrate sustainability into decision-making, stakeholder engagement, and enterprise preparedness.
- (ii) Operational embeddedness, which translates sustainability ambitions into day-to-day systems and processes.

Operational implementation is supported by nine key levers spanning capabilities and skills, processes and technology, products and services, governance and organizational design, and monitoring and evaluation. Each lever includes functional sub-levers to help organizations target and track progress.

<https://esgnews.com/ey-launches-sustainable-operating-blueprint-to-embed-esg-into-core-business-strategy/>

## ISO 14092 SETS GLOBAL STANDARD FOR LOCAL CLIMATE ADAPTATION PLANNING

The International Organization for Standardization published ISO 14092:2026 on February 09, 2026

establishing a global climate adaptation standard for local governments developing and updating adaptation plans.

ISO 14092:2026 specifies requirements and guidance for climate adaptation planning for local governments and communities. The ISO climate adaptation standard supports authorities in assessing vulnerability, impacts and risk before defining priorities.

The document outlines how to establish an adaptation governance framework. It details appointing a facilitation team, conducting a climate vulnerability assessment and designing a local adaptation plan tailored to regional conditions.

It also sets out how to monitor implementation and evaluate progress. The process enables continuous improvement in climate resilience planning at the state and local government level.

Hazards such as floods, heatwaves, droughts and coastal erosion threaten lives, infrastructure and ecosystems. The framework recognizes that regional-level climate action varies across places and must reflect local exposure and sensitivity. ISO 14092:2026 defines terms including climate change adaptation, adaptive capacity, vulnerability and maladaptation. The definitions draw on work by the Intergovernmental Panel on Climate Change.

The scope specifies requirements and guidance for preparing, implementing and updating a local adaptation plan. It supports authorities and interested parties in setting priorities and managing climate risks.

<https://esgnews.com/iso-launches-global-climate-adaptation-standard-to-strengthen-local-resilience-planning/>

## ESG Risk for MSMEs - A sustainable approach to Credit Risk Management

### ESG RISK FOR MSMES : BANKS/FI'S AND GOVERNMENT'S RESPONSE

Over the past few decades, financial risks have been associated with unethical practices and lack of governance. Poor ESG practices can lead to financial losses, reputational damage, and regulatory penalties. It is for this reason that various precautionary measures are being taken:

1. Banks and financial institutions are urged to integrate ESG factors into credit risk management alongside traditional financial metrics.
  - A sustainable approach to credit risk management implies incorporating environmental, social, and governance (ESG) factors into the risk assessment and management processes.
  - A sustainable approach to credit risk management involves integrating ESG factors into the standard credit risk assessment process.
2. Global regulators, including the OECD, Basel III, and the European Banking Authority, emphasize ESG adoption in financial systems.
  - According to World Economic Forum's Global Risk Report 2021, Environmental, Social & Governance (ESG) risks accounts for four of the top five risks.
  - Collevocchio Declaration on Financial Institutions advised FIs to adopt its 6 principles which reflect civil society's expectations of the role and responsibilities of BFSI sector in fostering sustainability.
  - Basel III reforms require systematic management of ESG risks.
  - The European Banking Authority (EBA) created roadmaps to allow institutions to bring in objectives and timelines to assess the materiality of ESG and to understand appropriate approach for the banking frameworks.
3. In India, SEBI mandates ESG disclosures, while RBI promotes renewable energy financing under priority sector lending.
  - The Securities and Exchange Board of India (SEBI) has mandated all listed companies in India make ESG disclosures for their value chain, including both upstream and downstream partners and contribute at least 75% of their revenues (by value).
- Reserve Bank of India also encouraged banks to extend finance towards renewable energy by categorising 'Renewable Energy' in its Priority Sector Lending mandate and increasing loan limits for renewable energy eligible projects.
4. Research, such as CRISIL's ESG scores, indicates a positive link between ESG performance and financial returns.
  - The report suggested that 70% of academic studies on ESG have positive relationship between ESG scores and financial returns like profitability, valuation & equity returns.
5. India has set ambitious targets: 500 GW renewable energy by 2030 and net zero emissions by 2070, requiring strong financial alignment.
6. RBI's draft disclosure framework (2024) requires banks and financial institutions to report on governance, strategy, risk management, and climate-related metrics.
7. A phased implementation plan will gradually enforce ESG disclosures across banks, NBFCs, and cooperative institutions.
8. For MSMEs, adopting sustainable practices is now a strategic necessity, supported by initiatives of Ministry of MSME and like MSE-SPICE to promote circular economy solutions.

*Having understood the need, gravity and the goals to achieve question now arises that how we shall be implementing it and what are the critical KPIs to achieve it. Let us first see the KPIs and then we shall be closing our session with suggestive methodology for Banks/FIs to take care of ESG risk.*

### KPIs FOR ESG RISK

To measure the social and environmental impact of a credit portfolio, organizations use ESG (Environmental, Social, and Governance) metrics and KPIs. These metrics provide quantifiable measures of a company's performance in these areas, allowing for tracking progress and understanding the impact of credit decisions.

### ENVIRONMENTAL (E) METRICS AND KPIs

- **Carbon Footprint:** Measures the total greenhouse gas emissions directly and indirectly associated with the portfolio, including emissions from lending activities, energy consumption, and transportation.

- **Energy Consumption:** Tracks energy usage within the portfolio, including electricity, fuel, and other energy sources, to identify opportunities for efficiency and sustainability.
- **Water Usage:** Monitors water consumption across the portfolio, including industrial processes, agriculture, and other activities, to assess water resource impact.
- **Waste Management:** Tracks waste generation, recycling rates, and landfill disposal within the portfolio, evaluating waste reduction and resource recovery efforts.
- **Renewable Energy:** Measures the proportion of renewable energy sources used within the portfolio, indicating commitment to sustainable energy practices.
- **Resource Efficiency:** Monitors the efficiency of resource utilization, such as energy, water, and materials, to identify opportunities for optimization and reduction of environmental impact.

### SOCIAL (S) METRICS AND KPIs

- **Employee Satisfaction:** Tracks employee morale, turnover rates, and engagement levels, reflecting the impact of social policies and practices within the organization.
- **Diversity and Inclusion:** Measures the representation of different groups within the workforce and the extent to which diverse perspectives are valued, reflecting social equity and inclusion.
- **Human Rights:** Monitors adherence to human rights standards, including fair labour practices, freedom of association, and safety of employees.
- **Community Relations:** Tracks community engagement, volunteerism, and social impact initiatives within the portfolio, evaluating the impact on local communities.
- **Customer Satisfaction:** Measures customer feedback and satisfaction with products and services, reflecting the social impact of business practices.

### GOVERNANCE (G) METRICS AND KPIs

- **Transparency:** Measures the level of transparency in financial reporting, corporate governance, and risk management practices, ensuring accountability and accountability.
- **Board Diversity:** Tracks the representation of different groups within the board of directors, promoting diverse perspectives and decision-making.
- **Executive Compensation:** Monitors executive compensation policies, ensuring fairness and alignment with company objectives.
- **Anti-Corruption Measures:** Tracks the effectiveness of anti-corruption programs and compliance with ethical conduct guidelines.

- **Regulatory Compliance:** Monitors adherence to all applicable regulations and laws, ensuring responsible and legal operations.

### HOW BANKS/FIs WILL TAKE CARE OF ESG RISK

The common thread running through risk categories banks are used to dealing with (i.e. credit and counterparty risks, market risks, liquidity risks, operational risks, etc.) is that they all concern the impacts of the risk on the institution itself. However, with ESG risks, risk management must consider new perspectives, for example, not only the impact ESG risks have on the organization, but also the potential impact of stakeholders on the bank and vice versa the risks to which the bank is exposing its stakeholders and the environment due to its business activities.

This approach recognises that credit risk is not just about individual borrowers, but also about broader social and environmental context.

Key Components of the same are –

1. Incorporation of ESG factors into credit risk assessment
2. Ensuring lending practices are fair, transparent and aligned to borrowers' need
3. Robust risk management framework to identify, assess, and mitigate credit risks
4. Strong engagement with stakeholders – borrowers, regulators and communities to understand their needs and concerns

### KEY CHALLENGES AND GOOD PRACTICES

Six key challenges can – if properly tackled - move financial institutions towards not only compliance to ESG regulation, but also to long-term value creation:

- A) **Striking the right balance: anticipating adequately to relevant risks**

Seeing past the ESG label and getting to the issues - The hard work of breaking down E, S and G for a specific company is the starting point to any successful ESG approach. When defining its material ESG risks a bank can break down each sub-category into a concrete area of focus.

Having a clear understanding of the specific issues that are material will help financial institutions focus their time, energy and resources on fewer, yet more impactful, issues.

- B) **Translating the ESG strategy into the organization's ecosystem and Integrating ESG in the credit or investment cycle**

Once a banker has understood which ESG issues to focus on, questions of 'how' and 'where' to address

them remain. Banker/FI should incorporate ESG factors throughout their credit or investment cycle: from loan origination to completion or renewal. By incorporating ESG factors in credit worthiness assessments, for instance, financier can anticipate ESG risks well before lending.

**C) Adapting stakeholder management and spreading ESG knowledge in-house**

Training lending teams on effective ESG engagement with a diversity of companies - The skills of the people in this process are the real key to success, therefore financiers should ensure that investment managers and teams can access training on how to effectively engage corporates on ESG.

**D) Collecting, managing and using ESG data for risk modelling**

Data collection is essential for financiers to successfully identify and assess ESG risks and integrate ESG into risk modelling.

For instance, information on clients' greenhouse gas emissions or the locations of their production facilities allows financiers to assess the exposure to physical and transition risks. Information on clients' supply chain structure, including exposure to geographies with higher human rights risks or poor governance can give financiers a picture of their exposure to social and governance risks. Collecting this information is, however, resource-intensive and may require financiers to contact individual clients. Investment portfolios may be sizeable; information can be difficult to obtain or there is a need for data interpretation. Where possible, financiers can use their existing Client Due Diligence/Know Your Customer (KYC) to collect and process the data.

**E) Delivering and communicating on ESG commitments**

Every financial institution may at some point need to show why and how they have taken care of their ESG risks and if they managed to harness ESG opportunities.

**F) Embedding ESG in existing risk practices - Integrating ESG in Risk Management Framework**

Financial institutions can make themselves future-proof by integrating ESG risks in every stage of the risk management framework. This ensures that ESG risks are holistically integrated in existing risk practices. For instance, under risk monitoring, financial institutions should frequently engage with sustainability experts to stay informed on (policy) developments. For ESG risk identification, investors should consider whether their investments are concentrated in specific industries or regions. Climate stress testing can be used for ESG risk assessment. And finally, ESG risk can be mitigated by means of exclusion policies or adapted risk premiums.

## ROLE OF DATA AND AI IN IT

Artificial Intelligence (AI) and machine learning (ML) are revolutionizing the way banks assess ESG risks by enabling them to process vast amounts of unstructured data, detect patterns, and predict potential risks with greater accuracy. By integrating AI into ESG risk assessment, banks can gain more precise insights into how these factors affect their financial health, improve their decision-making processes, and enhance their ability to align investments with sustainability goals

*Lastly, it is pertinent to emphasize that how Data and AI plays an important role in achieving the same.*

## AI ALLOWS FOR

**Enhanced Data Processing:** With AI, banks can quickly analyze a range of ESG data sources—such as annual reports, news articles, social media, and regulatory filings—to identify potential risks that may not be immediately obvious through traditional methods.

**Predictive Insights:** AI tools, such as predictive analytics and machine learning algorithms, enable banks to forecast emerging ESG risks, helping them stay ahead of future challenges, such as regulatory changes or shifts in public opinion.

**Real-Time Monitoring:** AI offers the capability to continuously monitor ESG metrics and flag potential issues in real time, allowing treasury managers to adjust portfolios or take action before risks materialize.

**Artificial Intelligence (AI):** AI can be used to enhance the analysis and integration of ESG metrics into risk assessment models within banks. By incorporating AI-driven technologies, banks can efficiently process large sets of ESG data, identify potential risks, and make more informed financial decisions. AI tools such as machine learning and natural language processing help in assessing ESG-related factors that impact long-term financial stability, credit risk, and market performance. Advanced AI techniques are used to refine risk models and foster sustainable practices.

This will enable banks to not only mitigate potential risks but also to align with global sustainability goals while improving overall financial resilience.

Adopting this comprehensive evaluation methodology not only safeguards Bank/FI against potential risks but also enhances their reputation and competitiveness. It provides a clear path for sustainable and responsible business practices that contribute positively to society and the environment.

*Contributed by CS Gaurav Mahani, EVP & Head-MSME & Mortgages, CSB Bank Ltd.*

## AI IMPACT SUMMIT 2026 CONCLUDES WITH ADOPTION OF NEW DELHI DECLARATION

The AI Impact Summit 2026, held in New Delhi on 18-19 February, 2026 concluded with the adoption of the **New Delhi Declaration on AI Impact**, marking a significant milestone in global cooperation on artificial intelligence.

The Declaration has been **endorsed by 89 countries and international organisations**, reflecting a broad-based global consensus on leveraging AI for economic growth and social good.

### A Shared Global Vision for AI

Guided by the principle of “*Sarvajan Hitaya, Sarvajan Sukhaya*” (Welfare for all, Happiness for all), the Declaration underscores that the benefits of AI must be **equitably shared across humanity**.

It emphasizes:

- Strengthening international cooperation and multi-stakeholder engagement
- Respecting national sovereignty
- Advancing AI through accessible, and trustworthy frameworks

### Seven Pillars (Chakras) of Action

The Declaration is structured around **seven key pillars**, forming the foundation of global AI cooperation:

1. Democratizing AI Resources
2. Economic Growth & Social Good
3. Secure & Trusted AI
4. AI for Science
5. Access for Social Empowerment
6. Human Capital Development
7. Resilient, Efficient & Innovative AI Systems

### Major Global Deliverables Announced

The Summit delivered a series of **voluntary, collaborative global initiatives**, including:

1. *Charter for the Democratic Diffusion of AI*
  - Promotes **affordable access to foundational AI resources**
  - Supports **locally relevant innovation ecosystems**
2. *Global AI Impact Commons*
  - Platform to **scale and replicate AI use cases globally**
  - Enables cross-country collaboration for **development impact**

3. *Trusted AI Commons*
  - Repository of **tools, benchmarks, and best practices**
  - Supports development of **secure and trustworthy AI systems**
4. *International Network of AI for Science Institutions*
  - Facilitates **global scientific collaboration**
  - Enhances **AI-driven research capabilities**
5. *AI for Social Empowerment Platform*
  - Enables **knowledge exchange and scalable solutions**
  - Focuses on equitable AI adoption
6. *AI Workforce Development Playbook & Reskilling Principles*
  - Supports **AI skilling, reskilling, and literacy**
  - Prepares nations for an **AI-driven economy**
7. *Guiding Principles on Resilient & Efficient AI*
  - Focus on **energy-efficient AI systems**
  - Supported by a **Playbook on AI Infrastructure Resilience**

<https://www.pib.gov.in/PressReleasePage.aspx?PRID=2231208&reg=3&lang=1>

## MORE COUNTRIES JOIN THE NEW DELHI DECLARATION ON AI IMPACT

The AI Impact Summit 2026, held in New Delhi on 18-19 February, concluded with the adoption of the **New Delhi Declaration on AI Impact**, marking a significant milestone in global cooperation on artificial intelligence.

As on 21 February, 2026, 88 countries and international organisations had endorsed this declaration. Since then, 3 more countries - Bangladesh, Costa Rica and Guatemala have joined the declaration, taking the total number of signatories to 91 countries and organisations.

<https://www.pib.gov.in/PressReleasePage.aspx?PRID=2232005&reg=3&lang=1>

## M.A.N.A.V. : PM's HUMAN-CENTRIC AI ODYSSEY

At the India AI Impact Summit 2026, India brought together technology leaders and policymakers across the globe to deliberate on the future of artificial intelligence. At Bharat Mandapam, the discussions reflected a shared aspiration, to shape AI in a manner that places humanity at its core. The India AI Impact Summit was held in New Delhi from February 16-20, 2026.

During his inaugural address at the India AI Impact Summit on February 19, Prime Minister Narendra Modi outlined a nuanced approach to AI not as an autonomous force driven solely by data and algorithms, but as an extension of human aspirations, ethics, and dignity. He encapsulated this human-centric vision in the acronym **M.A.N.A.V.**, presenting a roadmap where technological advancement progresses in harmony with societal values: **Moral and Ethical Systems, Accountable Governance, National Sovereignty, Accessible and Inclusive AI, and Valid and Legitimate Systems.**

India's M.A.N.A.V. vision reflects an ongoing national commitment to building a strong foundation through coordinated programmes and policy initiatives. These measures translate guiding principles into actionable outcomes across education, digital infrastructure, governance, and innovation ecosystems. Anchored in inclusivity, security, and public good, they ensure that India's AI strategy remains both forward-looking and socially responsible. Together, they underscore that the vision is backed by concrete action and sustained institutional commitment.

The first pillar of the MANAV vision underscores that AI must be rooted in strong **Moral and Ethical system.**

**The National Education Policy 2020** prioritises digital and AI literacy, integrating computational thinking and AI concepts across educational levels.

Ethics also found powerful public expression at the Summit, where India set a global benchmark in responsible AI engagement by securing a **Guinness World Records** title for the highest number of pledges received for an AI responsibility campaign within 24 hours. An extraordinary 250,946 pledges transformed ethical AI from a policy principle into a collective national commitment.

The second pillar of MANAV vision, **Accountable Governance**, transparent rules and robust oversight, reinforces that trust in AI must be anchored in transparency, robust oversight, and clear institutional responsibility.

At the heart of this vision is the **IndiaAI Mission**, approved with an outlay exceeding ₹10,300 crore. This not only strengthens compute, data, skilling, and innovation capacity, but also embeds governance mechanisms into the AI ecosystem from the outset.

**National Sovereignty** forms the third pillar of the MANAV vision. The Prime Minister asserted that in an AI-driven world, sovereignty extends beyond territorial boundaries to encompass data, algorithms, and digital infrastructure.

The fourth pillar of MANAV is **Accessible and Inclusive AI**. It affirms that artificial intelligence must serve as a multiplier for society, not a monopoly of a privileged few.

India's **Digital Public Infrastructure** is enabling AI solutions to scale rapidly and affordably across healthcare, education, agriculture, and governance. Platforms such as **MeghRaj GI Cloud** and the **IndiaAI Compute Portal** are democratising access to shared computing

resources including Graphics Processing Units (GPUs) and Tensor Processing Units (TPUs) significantly lowering entry barriers for startups, researchers, and institutions.

The fifth pillar of MANAV places **Trust, Safety, and Legality at the centre of AI deployment.** The Prime Minister underscored that AI systems must be verifiable, lawful, and transparent particularly at a time when deepfakes and synthetic media pose risks to democratic discourse and social trust.

**The Information Technology (Intermediary Guidelines and Digital Media Ethics Code) Amendment Rules, 2026** formally define and regulate synthetically generated content, strengthening accountability in the digital ecosystem.

M.A.N.A.V., presents a civilisational perspective on artificial intelligence to the world. By aligning innovation with ethics, governance with accountability, sovereignty with openness, inclusion with scale, and legitimacy with trust, India is shaping an AI future that advances not only technology, but humanity itself.

<https://www.pib.gov.in/PressReleasePage.aspx?PRID=2230282&reg=3&lang=1>

## TECHNOLOGY SERVICES – REIMAGINATION AHEAD ROADMAP RELEASED BY THE NITI AAYOG'S FRONTIER TECH HUB

NITI Aayog's Frontier Tech Hub has released a ten-year roadmap on '**Technology Services – Reimagination Ahead**', outlining how India's ~\$265B technology services sector can scale to **\$750–850B by 2035** while strengthening global competitiveness in the AI era and supporting the *Viksit Bharat 2047* vision.

The roadmap spotlights that artificial intelligence marks a structural shift in the industry: value will move from labour-arbitrage services toward IP-led, outcome-oriented, and platform-driven delivery models. India now has the opportunity to evolve from services leadership to global leadership in building AI-native systems.

The roadmap identifies five priority growth levers:

- **Agentic AI**
- **Software & Products**
- **Digital Infrastructure**
- **Innovation-led Engineering**
- **India-for-India solutions**

To unlock these, the roadmap calls for coordinated action across government and industry: accelerated enterprise AI adoption, scaled investment in IP and R&D, workforce reskilling at national scale, and regulatory predictability to enable global market access.

<https://www.pib.gov.in/PressReleasePage.aspx?PRID=2227308&reg=3&lang=1>

## INDIA–UK STRENGTHEN AI AND TELECOM PARTNERSHIP

On the sidelines of the AI Summit in New Delhi, Ministry of State for Communications, Government of India, held a bilateral meeting with the Parliamentary Under-Secretary of State for AI and Online Safety, United Kingdom.

During the discussions, the emphasis was laid on the fact that India views artificial intelligence as central to the future of telecommunications. It was noted that combining India's scale with the United Kingdom's research strengths can help shape global standards in AI-native networks, Open RAN, and 6G, ensuring that technology drives both growth and trust. Both sides reviewed progress under the Department of Telecommunications–DCMS MoU and welcomed the operationalization of the India–UK Connectivity and Innovation Centre, India's National Quantum Mission and pointed out the enormous potential for collaboration in quantum communications and secure networks was also highlighted.

Discussions focused on deepening cooperation in AI applications for telecom networks, including autonomous network management, AI-driven cybersecurity, spectrum innovation, and non-terrestrial networks. Both sides expressed interest in joint research, pilot deployments, and coordinated engagement in global standardization forums such as the International Telecommunication Union (ITU) and 3GPP.

<https://www.pib.gov.in/PressReleasePage.aspx?PRID=2229697&reg=3&lang=1>

## INDIA AND SWEDEN CONVENE BILATERAL TALKS TO STRENGTHEN STRATEGIC COOPERATION IN TELECOMMUNICATIONS AND DIGITAL INNOVATION

A bilateral meeting was held on 18 February, 2026 between Union Minister of Communications and Development of the North Eastern Region, India, and Deputy Prime Minister of Sweden and Minister for Energy, Business, and Industry, at New Delhi, to review ongoing cooperation and explore new avenues of collaboration in telecommunications and digital transformation, with discussions also reflecting Sweden's emphasis on sustainability, inclusive enterprise development, and sustained global climate leadership.

Both sides reaffirmed that digital and telecom cooperation constitutes a key pillar of the India–Sweden strategic partnership, reflecting shared priorities in next-generation connectivity, secure digital infrastructure, innovation-driven growth, and sustainability, with emphasis on ensuring that digital transformation remains inclusive, economically viable, and aligned with clean energy transitions.

Both sides acknowledged the India–Sweden Joint Working Group (JWG) on Digital Technologies and Economy, which serves as the principal institutional mechanism for structured policy and technical engagement. The two sides expressed intention for early scheduling of the third JWG meeting in Stockholm to advance implementation-oriented outcomes.

Cooperation in Open RAN, network modernization, and trusted supply chains was highlighted as an area of mutual interest. The two sides emphasized the need to strengthen diversified and resilient telecom ecosystems, including collaboration among operators, original equipment manufacturers, startups, and research institutions, and identified five broad pillars of cooperation covering 5G use cases, 6G collaboration and advanced test beds, Open RAN, quantum technologies, and industry–academia partnerships, with emphasis on developing a structured work plan and stakeholder mapping under each pillar supported by periodic review mechanisms.

Emerging areas, including quantum communication, post-quantum cryptography, and secure network architectures, were also discussed, reflecting a forward-looking approach to future-proofing critical digital infrastructure. Structured engagement on cybersecurity, telecom fraud mitigation, and risk-based regulatory frameworks, including continued institutional dialogue such as cybersecurity discussions in Stockholm, was identified as another priority domain.

<https://www.pib.gov.in/PressReleasePage.aspx?PRID=2229734&reg=3&lang=1>

## AI FACTS AND TERMINOLOGY

### ALGORITHM

A set of rules that a machine can follow to learn how to do a task.

### CHATBOT

A chatbot is program that is designed to communicate with people through text or voice commands in a way that mimics human-to-human conversation.

### NATURAL LANGUAGE GENERATION (NLG)

This refers to the process by which a machine turns structured data into text or speech that humans can understand. Essentially, NLG is concerned with what a machine writes or says as the end part of the communication process.

### NATURAL LANGUAGE PROCESSING (NLP)

The umbrella term for any machine's ability to perform conversational tasks, such as recognizing what is said to it, understanding the intended meaning and responding intelligibly.

### TURING TEST

Named after Alan Turing, famed mathematician, computer scientist and logician, this tests a machine's ability to pass for a human, particularly in the fields of language and behavior. After being graded by a human, the machine passes if its output is indistinguishable from that of human participant.

### NEURAL NETWORK

A neural network is a deep learning technique designed to resemble the structure of the human brain. It requires large data sets to perform calculations and create outputs, which enables features like speech and vision recognition.

<https://tinyurl.com/pkd9db9b>, <https://tinyurl.com/bhntfrt>

# GIST OF ROC ADJUDICATION ORDERS

## Gist of ROC Adjudication orders

**1. Adjudication Order for violation of Rule 8(3) of the Companies (Registration Offices and Fees) Rules, 2014 of the Companies Act, 2013 in the matter of RAMESHWARAM AGENCY PRIVATE LIMITED**

ROC Kolkata issued an adjudication order dated 03<sup>rd</sup> February, 2026 in the matter of Rameshwaram Agency Private Limited for violating Rule 8(3) of the Companies (Registration Offices and Fees) Rules, 2014 for filing an e-form AOC-4 with incorrect data. The Adjudicating Authority imposed a penalty of ₹10,000 each upon the company and one of the directors.

<https://www.mca.gov.in/bin/dms/getdocument?mds=dU%252F9cv4j2HFCo8Hrjy%252B2X-A%253D%253D&type=open>

**2. Adjudication Order for violation of Rule 8(3) of the Companies (Registration Offices and Fees) Rules, 2014 of the Companies Act, 2013 in the matter of RAINEY TRADING PRIVATE LIMITED**

ROC Kolkata issued an adjudication order dated 03<sup>rd</sup> February, 2026 in the matter of Rainey Trading Private Limited for violating Rule 8(3) of the Companies (Registration Offices and Fees) Rules, 2014 for filing an e-form AOC-4 with incorrect data. The Adjudicating Authority imposed a penalty of ₹10,000 each upon the company and one of the directors.

<https://www.mca.gov.in/bin/dms/getdocument?mds=VL07e7UGyq7NCNA45Y53oA%253D%253D&type=open>

**3. Adjudication Order for violation of Rule 8(3) of the Companies (Registration Offices and Fees) Rules, 2014 of the Companies Act, 2013 in the matter of M.S. ELASTIC & TAPES PRIVATE LIMITED**

ROC Kolkata issued an adjudication order dated 05<sup>th</sup> February 2026 in the matter of M.S. Elastic & Tapes Private Limited for violating Rule 8(3) of the Companies (Registration Offices and Fees) Rules, 2014 for filing an e-form AOC-4 with incorrect data. The Adjudicating Authority imposed a penalty of ₹10,000 each upon the company and one of the directors.

<https://www.mca.gov.in/bin/dms/getdocument?mds=cVz%252FT5yBpos26PUsh%252B-kLzQ%253D%253D&type=open>

**4. Adjudication Order for violation of Section 134 of the Companies Act, 2013 in the matter of JUPITER INTERNATIONAL LIMITED**

ROC Kolkata issued an adjudication order dated 05<sup>th</sup> February, 2026 in the matter of Jupiter International Limited for violating Section 134(3) of the Companies Act, 2013 for failing to disclose the applicable provisions and expenditure incurred for Corporate

Social Responsibility (CSR) for the FY 2018-2019. The Adjudicating Authority imposed a penalty of ₹3,00,000 upon the company and ₹50,000 each on two of the Directors of the company.

<https://www.mca.gov.in/bin/dms/getdocument?mds=3QkD%252BHJeBYwsZSu-42SocSQ%253D%253D&type=open>

**5. Adjudication Order for violation of Section 134 of the Companies Act, 2013 in the matter of JUPITER INTERNATIONAL LIMITED**

ROC Kolkata issued an adjudication order dated 05<sup>th</sup> February, 2026 in the matter of Jupiter International Limited for violating Section 134(3) of the Companies Act, 2013 for failing to disclose the applicable provisions and expenditure incurred for Corporate Social Responsibility (CSR) for the FY 2017-2018. The Adjudicating Authority imposed a penalty of ₹3,00,000 upon the company and ₹50,000 each on two of the Directors of the company.

<https://www.mca.gov.in/bin/dms/getdocument?mds=1RPQxe%252FIO90oXjbPSUUXS-g%253D%253D&type=open>

**6. Adjudication Order for violation of Rule 8(3) of the Companies (Registration Offices and Fees) Rules, 2014 of the Companies Act, 2013 in the matter of SANYO VINIMAY PRIVATE LIMITED**

ROC Kolkata issued an adjudication order dated 05<sup>th</sup> February, 2026 in the matter of Sanyo Vinimay Private Limited for violating Rule 8(3) of the Companies (Registration Offices and Fees) Rules, 2014 for filing an e-form (MGT-7A) with incorrect data. The Adjudicating Authority imposed a penalty of ₹10,000 each upon the company and one of the directors.

<https://www.mca.gov.in/bin/dms/getdocument?mds=p%252B%252FaId9H03nZr%252FyG-9PoRuQ%253D%253D&type=open>

**7. Adjudication Order for violation of Section 450 of the Companies Act, 2013 in the matter of REGAAL RESOURCES LIMITED**

ROC Kolkata issued an adjudication order dated 09<sup>th</sup> February, 2026 in the matter of Regaal Resources Limited for violating Section 450 of the Companies Act, 2013 for the non-attachment of a mandatory valuation report to Form PAS-3. The Adjudicating Authority imposed a penalty of ₹2,00,000 upon the company and ₹50,000 on one of the directors.

<https://www.mca.gov.in/bin/dms/getdocument?mds=rtjKS7PXBx70H7lxtue%252B-KQ%253D%253D&type=open>

- 8. Adjudication Order for violation of Section 450 of the Companies Act, 2013 in the matter of REGAAL RESOURCES LIMITED**

ROC Kolkata issued an adjudication order dated 09<sup>th</sup> February, 2026 in the matter of Regaal Resources Limited for violating Section 450 of the Companies Act, 2013, for failing to attach the mandatory Valuation Report from a registered valuer to its Form PAS-3 for the FY 2017-18. The Adjudicating Authority imposed a penalty of ₹10,000 each upon the company and one of the Directors of the company.

<https://www.mca.gov.in/bin/dms/getdocument?mds=wkmckSsbC%252ByevyKpAEQSyw%253D%253D&type=open>

- 9. Adjudication Order for violation of Section 450 of the Companies Act, 2013 in the matter of UMA TRADECOM PRIVATE LIMITED**

ROC Kolkata issued an adjudication order dated 10<sup>th</sup> February, 2026 in the matter of UMA Tradecom Private Limited for violating Section 450 of the Companies Act, 2013, for filing an incorrect statutory e-form. The Adjudicating Authority imposed a penalty of ₹10,000 each upon the company and one of the Directors of the company.

<https://www.mca.gov.in/bin/dms/getdocument?mds=yL74lpwJkGYIqeBNHGIB4w%253D%253D&type=open>

- 10. Adjudication Order for violation of Section 450 of the Companies Act, 2013 in the matter of PENGUIN STONES PRIVATE LIMITED**

ROC Kolkata issued an adjudication order dated 10<sup>th</sup> February 2026 in the matter of Penguin Stones Private Limited for violating Section 450 of the Companies Act, 2013, for filing an incorrect statutory e-form for the FY 2024-25. The Adjudicating Authority imposed a penalty of ₹10,000 each upon the company and one of the directors of the company.

<https://www.mca.gov.in/bin/dms/getdocument?mds=EM%252BmpNLBTndz6VXFw1bWp-g%253D%253D&type=open>

- 11. Adjudication Order for violation of Section 179 of the Companies Act, 2013 in the matter of REGAAL RESOURCES LIMITED**

ROC Kolkata issued an adjudication order dated 10<sup>th</sup> February 2026 in the matter of Regaal Resources Limited for violating Section 179 of the Companies Act, 2013, as the effective date of appointment of whole-time Director was not as per the date of passing Board Resolution. The Adjudicating Authority imposed a penalty of ₹15,000 each upon the company and three of the directors of the company.

<https://www.mca.gov.in/bin/dms/getdocument?mds=Jz1sW1U3q9XoSkEr0cyJew%253D%253D&type=open>

- 12. Adjudication Order for violation of Section 172 of the Companies Act, 2013 in the matter of REGAAL RESOURCES LIMITED**

ROC Kolkata issued an adjudication order dated 12<sup>th</sup> February 2026 in the matter of Regaal Resources Limited for violating Section 172 of the Companies Act, 2013, for failing to fill intermittent vacancy of a Woman Director within the stipulated time. The Adjudicating Authority imposed a penalty of ₹59,000 each upon the company and two of the directors of the company.

<https://www.mca.gov.in/bin/dms/getdocument?mds=xKoHHoIoiKDQ1eHuAPLZow%253D%253D&type=open>

- 13. Adjudication Order for violation of Section 450 of the Companies Act, 2013 in the matter of REGAAL RESOURCES LIMITED**

ROC Kolkata issued an adjudication order dated 12<sup>th</sup> February 2026 in the matter of Regaal Resources Limited for violating Rule 12(7) of the Companies (Prospectus and Allotment of Securities) Rules, 2014 for failing to attach the mandatory valuation report to Form PAS-3 for the FY 2016-17. The Adjudicating Authority imposed a penalty of ₹2,00,000 upon the company and ₹50,000 on one of the directors of the company.

<https://www.mca.gov.in/bin/dms/getdocument?mds=WqxQRNFz5qs89sDBhVRN8Q%253D%253D&type=open>

- 14. Adjudication Order for violation of Section 450 of the Companies Act, 2013 in the matter of UNIQUE COMMDEAL PRIVATE LIMITED**

ROC Kolkata issued an adjudication order dated 12<sup>th</sup> February 2026 in the matter of Unique Commodeal Private Limited for violating Rule 8(3) of the Companies (Registration Offices and Fees) Rules, 2014 for filing incorrect particulars in e-form AOC-4. The Adjudicating Authority imposed a penalty of ₹10,000 each upon the company and one of the directors of the company.

<https://www.mca.gov.in/bin/dms/getdocument?mds=ksvtjdJa3CEw7%252B8cMinyjQ%253D%253D&type=open>

- 15. Adjudication Order for violation of Section 149 of the Companies Act, 2013 in the matter of REGAAL RESOURCES LIMITED**

ROC Kolkata issued an adjudication order dated 12<sup>th</sup> February 2026 in the matter of Regaal Resources Limited for violating Section 149(4) of the Companies Act, 2013, for failing to appoint at minimum number of required Independent Directors within stipulated timeframe. The Adjudicating Authority imposed a penalty of ₹ 1,91,500 upon the company and 1,00,000 each on three of the directors of the company.

<https://www.mca.gov.in/bin/dms/getdocument?mds=oqfduUz0Y1MdG8yM%252F2hTF-w%253D%253D&type=open>

**16. Adjudication Order for violation of Section 149 of the Companies Act, 2013 in the matter of REGAAL RESOURCES LIMITED**

ROC Kolkata issued an adjudication order dated 17<sup>th</sup> February 2026 in the matter of Regaal Resources Limited for violating Section 149(4) of the Companies Act, 2013, for failing to appoint a woman director within the stipulated time. The Adjudicating Authority imposed a penalty of ₹ 59,000 upon the one of the directors of the company.

<https://www.mca.gov.in/bin/dms/getdocument?mds=1Ed6hY5ft04Ip2OLOITX%252FA%253D%253D&type=open>

**17. Adjudication Order for violation of Section 149 of the Companies Act, 2013 in the matter of REGAAL RESOURCES LIMITED**

ROC Kolkata issued an adjudication order dated 17<sup>th</sup> February 2026 in the matter of Regaal Resources Limited for violating Section 149(1) of the Companies Act, 2013 for failing to appoint a Woman Director within stipulated time,. The Adjudicating Authority imposed a penalty of ₹ 76,000 each upon the company and three of the directors of the company.

<https://www.mca.gov.in/bin/dms/getdocument?mds=X30C%252FLxyQHQjx2tmToD-27w%253D%253D&type=open>

**18. Adjudication Order for violation of Section 149 of the Companies Act, 2013 in the matter of DELTRON EQUIPMENT & SYSTEMS PRIVATE LIMITED**

ROC Kolkata issued an adjudication order dated 17<sup>th</sup> February 2026 in the matter of Deltron Equipment & Systems Private Limited for violating Section 149(1) of the Companies Act, 2013, for filing incorrect particulars in e-form AOC-4. The Adjudicating Authority imposed a penalty of ₹ 10,000 each upon the company and one of the directors of the company.

<https://www.mca.gov.in/bin/dms/getdocument?mds=fzd7DwIitv4d%252F3oCg%252FO-2EQ%253D%253D&type=open>

**19. Adjudication Order for violation of Section 454 of the Companies Act, 2013 in the matter of WPIL LIMITED**

ROC Kolkata issued an adjudication order dated 03<sup>rd</sup> February 2026 in the matter of WPIL Limited for violating Rule 8(3) of the Companies (The Registration Offices and Fees) Rules, 2014 for filing an incorrect statutory form for the Financial Year 2024-25. The Adjudicating Authority imposed a penalty of ₹10,000 each upon the company and one of the directors of the company.

<https://www.mca.gov.in/bin/dms/getdocument?mds=PERr%252BwmFT%252BzzNqJ3NjHkG-g%253D%253D&type=open>

**20. Adjudication Order for violation of Section 450 of the Companies Act, 2013 in the matter of TECHNOLOGICAL PRODUCTS DISTRIBUTION & MARKET CONSULTANCY PRIVATE LIMITED**

ROC Kolkata issued an adjudication order dated 03<sup>rd</sup> February 2026 in the matter of Technological Products Distribution & Market Consultancy Private Limited for violating Rule 8(3) of the Companies (Registration Offices and Fees) Rules, 2014 for filing an incorrect statutory e-form containing incorrect factual information. The Adjudicating Authority imposed a penalty of ₹ 10,000 each upon the company and one of the directors of the company.

<https://www.mca.gov.in/bin/dms/getdocument?mds=HrAza85f84vc9JwlMGtupw%253D%253D&type=open>

**21. Adjudication Order for violation of Section 137 of the Companies Act, 2013 in the matter of XENITIS INFOTECH LIMITED**

ROC Kolkata issued an adjudication order dated 05<sup>th</sup> February 2026 in the matter of Xenitis Infotech Limited for violating Section 137 of the Companies Act, 2013, for failing to file the Financial Statements (Form AOC-4) for the period ended 31.03.2020, with the ROC within the prescribed time limit. The Adjudicating Authority imposed a penalty of ₹1,98,200 upon the company and ₹50,000 each on five of the directors of the company.

<https://www.mca.gov.in/bin/dms/getdocument?mds=f0Y7u7rMtSj8xHsLvWkQXQ%253D%253D&type=open>

**22. Adjudication Order for violation of Section 137 of the Companies Act, 2013 in the matter of XENITIS INFOTECH LIMITED**

ROC Kolkata issued an adjudication order dated 05<sup>th</sup> February 2026 in the matter of Xenitis Infotech Limited for violating Section 137 of the Companies Act, 2013 for failing to file its financial statements in Form AOC-4 for the period ended 31.03.2021, within the prescribed time limit. The Adjudicating Authority imposed a penalty of ₹1,61,700 upon the company and ₹50,000 each on five of the directors of the company.

<https://www.mca.gov.in/bin/dms/getdocument?mds=aVCUDXGzykQJ6m0OcPborA%253D%253D&type=open>

**23. Adjudication Order for violation of Section 137 of the Companies Act, 2013 in the matter of XENITIS INFOTECH LIMITED**

ROC Kolkata issued an adjudication order dated 12<sup>th</sup> February, 2026 in the matter of Xenitis Infotech Limited for violating Section 137 of the Companies Act, 2013 for failing to file its financial statements

in Form AOC-4 for the period ended 31.03.2022, within the prescribed time limit. The Adjudicating Authority imposed a penalty of ₹1,25,200 upon the company and ₹50,000 each on five of the directors of the company.

<https://www.mca.gov.in/bin/dms/getdocument?mDs=wNt9ufRPFKVnIj%252BSKcKN-w%253D%253D&type=open>

**24. Adjudication Order for violation of Section 12 of the Companies Act, 2013 in the matter of SUZUKI MOTOR GUJARAT PRIVATE LIMITED**

ROC Ahmedabad issued an adjudication order dated 11<sup>th</sup> February, 2026 in the matter of Suzuki Motor Gujarat Private Limited for violating Section 12 (1) of the Companies Act, 2013, for failing to maintain a registered office. The Adjudicating Authority imposed a penalty of ₹1000 each upon the company and seven of the directors of the company.

<https://www.mca.gov.in/bin/dms/getdocument?mDs=Vt435Ma2yOtw7p%252FIEiur-KA%253D%253D&type=open>

**25. Adjudication Order for violation of Section 149 of the Companies Act, 2013 in the matter of ROTOMOTIVE POWERDRIVES INDIA LIMITED**

ROC Ahmedabad issued an adjudication order dated 23<sup>rd</sup> February 2026 in the matter of Rotomotive Powerdrives India Limited for violating Section 149 of the Companies Act, 2013, for failing to appoint Independent Directors for the FY 2021-22. The Adjudicating Authority imposed a penalty of ₹3,00,000 upon the company and ₹1,00,000 each on five of the directors of the company.

<https://www.mca.gov.in/bin/dms/getdocument?mDs=h9Gh2nxezKJ6Aql63p7CZQ%253D%253D&type=open>

**26. Adjudication Order for violation of Section 161 of the Companies Act, 2013 in the matter of SCANIA COMMERCIAL VEHICLES INDIA PRIVATE LIMITED**

ROC Bangalore issued an adjudication order dated 09<sup>th</sup> February 2026 in the matter of Scania Commercial Vehicles India Private Limited for violating Section 161 (1) of the Companies Act, 2013, as the Director remain appointed beyond the tenure approved. The Adjudicating Authority imposed a penalty of ₹1,36,500 upon the company, ₹1,00,000 each on four of the directors, individual penalties of ₹97,500 and ₹75,500 on two other directors.

<https://www.mca.gov.in/bin/dms/getdocument?mDs=Md542h9RFTsZaMZsqjI9LQ%253D%253D&type=open>

**27. Adjudication Order for violation of Section 29 of the Companies Act, 2013 in the matter of STALWART INTELLISENSE PRIVATE LIMITED**

ROC Bangalore issued an adjudication order dated 09<sup>th</sup> February 2026 in the matter of Stalwart Intellisense Private Limited for violating Section 29 (1A) of the Companies Act, 2013, for failing to dematerialise its securities. The Adjudicating Authority imposed a penalty of ₹2,00,000 upon the company, ₹50,000 each on three of the directors of the Company.

<https://www.mca.gov.in/bin/dms/getdocument?mDs=ZH%252Fvg15FY03qbOHxy91n-7g%253D%253D&type=open>

**28. Adjudication Order for violation of Section 10 of the Companies Act, 2013 in the matter of XP POWER (INDIA) PRIVATE LIMITED**

ROC Bangalore issued an adjudication order dated 09<sup>th</sup> February 2026 in the matter XP Power (India) Private Limited for violating Section 10A (1)(a) of the Companies Act, 2013, for failing to file e-Form INC-20A within the mandatory 180 days from its date of incorporation. The Adjudicating Authority imposed a penalty of ₹50,000 upon the company, ₹1,00,000 each on two of the Directors of the company.

<https://www.mca.gov.in/bin/dms/getdocument?mDs=W%252Fp6opxmSh6CYPPjumGq-Cw%253D%253D&type=open>

**29. Adjudication Order for violation of Section 155 of the Companies Act, 2013 in the matter of CHEERAN DAVID JOSEPH**

ROC Bangalore issued an adjudication order dated 09<sup>th</sup> February 2026 in the matter of Cheeran David Joseph for violating Section 155 of the Companies Act, 2013, as he was holding dual Director Identification Numbers (DIN). The Adjudicating Authority imposed a penalty of ₹80,875 upon the director.

<https://www.mca.gov.in/bin/dms/getdocument?mDs=zsW9V9Dr%252BdteNfO8%252BCZB-jw%253D%253D&type=open>

**30. Adjudication Order for violation of Section 155 of the Companies Act, 2013 in the matter of NELLUKUDURI BORANNANAVARA SANJAY**

ROC Bangalore issued an adjudication order dated 09<sup>th</sup> February 2026 in the matter of Nellukuduri Borannanavara Sanjay for violating Section 155 of the Companies Act, 2013 for holding dual Director Identification Numbers (DIN). The Adjudicating Authority imposed a penalty of ₹3,66,500 upon the director.

<https://www.mca.gov.in/bin/dms/getdocument?mDs=iQfN989b%252F%252F9p1qFXxi-9cRw%253D%253D&type=open>

**31. Adjudication Order for violation of Section 155 of the Companies Act, 2013 in the matter of BHARATH REDDY**

ROC Bangalore issued an adjudication order dated 09<sup>th</sup> February 2026 in the matter of Bharath Reddy for violating Section 155 of the Companies Act, 2013, for holding dual Director Identification Numbers (DIN). The Adjudicating Authority imposed a penalty of ₹1,65,750 upon the director.

<https://www.mca.gov.in/bin/dms/getdocument?mds=rROqQa5IH13jEiAtGrGhdA%253D%253D&-type=open>

**32. Adjudication Order for violation of Section 203 of the Companies Act, 2013 in the matter of SCANIA COMMERCIAL VEHICLES INDIA PRIVATE LIMITED**

ROC Bangalore issued an adjudication order dated 09<sup>th</sup> February 2026 in the matter of Scania Commercial Vehicles India Private Limited for violating Section 203 (1) of the Companies Act, 2013, for failing to appoint a whole-time Company Secretary within the statutory timeframe. The Adjudicating Authority imposed a penalty of ₹5,00,000 upon the company and ₹3,54,000 each upon three of the Directors of the company.

<https://www.mca.gov.in/bin/dms/getdocument?mds=3%252Bo8U6N8Z0Dx12Xy1%252FJYgA%253D%253D&type=open>

**33. Adjudication Order for violation of Section 155 of the Companies Act, 2013 in the matter of DEVASENA BALASUBRAMANIAN**

ROC Bangalore issued an adjudication order dated 09<sup>th</sup> February 2026 in the matter of Devasena Balasubramanian for violating Section 155 of the Companies Act, 2013, for holding dual Director Identification Numbers (DIN). The Adjudicating Authority imposed a penalty of ₹87,000 upon the director.

<https://www.mca.gov.in/bin/dms/getdocument?mds=yagO7dYwdxFu0k%252BrDcGnaw%253D%253D&type=open>

**34. Adjudication Order for violation of Section 155 of the Companies Act, 2013 in the matter of OINDRILLA BANERJEE MAHENDRA**

ROC Bangalore issued an adjudication order dated 09<sup>th</sup> February 2026 in the matter of Oindrilla Banerjee Mahendra for violating Section 155 of the Companies Act, 2013, for holding dual Director Identification Numbers (DIN). The Adjudicating Authority imposed a penalty of ₹3,96,750 upon the person.

<https://www.mca.gov.in/bin/dms/getdocument?mds=PKkhp%252Fdk9uDHiiWbfGFg%253D%253D&type=open>

**35. Adjudication Order for violation of Section 10 of the Companies Act, 2013 in the matter of STALWART INTELLISENSE PRIVATE LIMITED**

ROC Bangalore issued an adjudication order dated 09<sup>th</sup> February 2026 in the matter of Stalwart Intellisense Private Limited for violating Section 10A (1)(a) of the Companies Act, 2013, for failing to file a declaration (e-Form INC-20A) with the Registrar within 180 days of incorporation. The Adjudicating Authority imposed a penalty of ₹50,000 upon the company, ₹1,00,000 each on three of the Directors of the company.

<https://www.mca.gov.in/bin/dms/getdocument?mds=Xqp26XXivslb5RV%252F%252FC2yeg%253D%253D&type=open>

**36. Adjudication Order for violation of Section 155 of the Companies Act, 2013 in the matter of SANGEETA CHAWLA**

ROC Bangalore issued an adjudication order dated 09<sup>th</sup> February 2026 in the matter of Sangeeta Chawla for violating Section 155 of the Companies Act, 2013, for holding dual Director Identification Numbers (DIN). The Adjudicating Authority imposed a penalty of ₹5,27,000 upon the director.

<https://www.mca.gov.in/bin/dms/getdocument?mds=e1hqF%252FhpH7Bp%252BI%252FG55hSe-Q%253D%253D&type=open>

**37. Adjudication Order for violation of Section 450 of the Companies Act, 2013 in the matter of BOMBAY CLOTH MARKET COMPANY LIMITED**

ROC Mumbai issued an adjudication order dated 02<sup>nd</sup> February, 2026 in the matter of Bombay Cloth Market Company Limited for violating Rule 8(3) of the Companies (Registration offices and fees) Rules, 2014, for filing the incorrect E-form MGT-7 (Annual Return) for the FY 2024-25. The Adjudicating Authority imposed a penalty of ₹10,000 upon the director of the company.

<https://www.mca.gov.in/bin/dms/getdocument?mds=OwN6FqrVnErdC8JkWXkg%253D%253D&-type=open>

**38. Adjudication Order for violation of Section 149 of the Companies Act, 2013 in the matter of NATIONAL STOCK EXCHANGE OF INDIA LIMITED**

ROC Mumbai issued an adjudication order dated 05<sup>th</sup> February, 2026 in the matter of National Stock Exchange of India Limited for the violating Section 149(1) of the Companies Act, 2013, for failing to appoint a Woman Director within the prescribed time limit. The Adjudicating Authority imposed a penalty of ₹77,000 each upon the company and one of the directors of the company.

<https://www.mca.gov.in/bin/dms/getdocument?mds=mF4yUL7IBWQ8vi%252BKrM-nOSw%253D%253D&type=open>

**39. Adjudication Order for violation of Section 178 of the Companies Act, 2013 in the matter of NATIONAL STOCK EXCHANGE OF INDIA LIMITED**

ROC Mumbai issued an adjudication order dated 05<sup>th</sup> February, 2026 in the matter of National Stock Exchange of India Limited for the violating Section 178(1) of the Companies Act, 2013, for failing to re-constitute the Nomination and Remuneration Committee (NRC). The Adjudicating Authority imposed a penalty of ₹5,00,000 upon the company and ₹1,00,000 each upon the three of the directors of the company.

<https://www.mca.gov.in/bin/dms/getdocument?mds=LC4ka2s6zLW7N9xz8vSVA%253D%253D&type=open>

**40. Adjudication Order for violation of Section 454 of the Companies Act, 2013 in the matter of SHRING OVERSEAS PRIVATE LIMITED**

ROC Mumbai issued an adjudication order dated 10<sup>th</sup> February, 2026 in the matter of Shring Overseas Private Limited for violating Rule 8(3) of the Companies (Registration Offices and Fees) Rules, 2014 for filing the incorrect E-form MGT-7A for the FY 2024-25. The Adjudicating Authority imposed a penalty of ₹5,000 upon the Director of the Company.

<https://www.mca.gov.in/bin/dms/getdocument?mds=eZVUQ0rXZyLiCY9McRs2JA%253D%253D&type=open>

**41. Adjudication Order for violation of Section 454 of the Companies Act, 2013 in the matter of VATSALYA ENTERPRISES PRIVATE LIMITED**

ROC Mumbai issued an adjudication order dated 12<sup>th</sup> February, 2026 in the matter of Vatsalya Enterprises Private Limited for violating Rule 8(3) of the Companies (Registration Offices and Fees) Rules, 2014 for filing the incorrect e-Form AOC-4 (Financial Statements) for the FY 2024-25. The Adjudicating Authority imposed a penalty of ₹10,000 upon the Director of the Company.

<https://www.mca.gov.in/bin/dms/getdocument?mds=1rWO6ZCEfeSjPuxI4Q%253D%253D&type=open>

**42. Adjudication Order for violation of Section 454 of the Companies Act, 2013 in the matter of ALPS REMEDIES PRIVATE LIMITED**

ROC Mumbai issued an adjudication order dated 23<sup>rd</sup> February, 2026 in the matter of Alps Remedies Private Limited for violating Rule 8(3) of the Companies (Registration Offices and Fees) Rules, 2014 for filing the incorrect E-form AOC-4 (Financial Statements) for the FY 2024-25. The Adjudicating Authority imposed a penalty of ₹10,000 upon the Director of the Company.

<https://www.mca.gov.in/bin/dms/getdocument?mds=o9YWUnMe4jiCMQUjL%252Fjp-gA%253D%253D&type=open>

**43. Adjudication Order for violation of Section 204 of the Companies Act, 2013 in the matter of EVONIK INDIA PRIVATE LIMITED**

ROC Mumbai issued an adjudication order dated 10<sup>th</sup> February, 2026 in the matter of Evonik India Private Limited for violating Section 204(1) of the Companies Act, 2013, for the failing to obtain the Secretarial Audit Report for the FY 2021-22 within stipulated timeframe. The Adjudicating Authority imposed a penalty of ₹2,00,000 upon the company.

<https://www.mca.gov.in/bin/dms/getdocument?mds=EzKVpJfdmSiat8bkIvW0sQ%253D%253D&type=open>

**44. Adjudication Order for violation of Section 137 of the Companies Act, 2013 in the matter of SEMAPUR ENTERPRISES PRIVATE LIMITED**

ROC Patna issued an adjudication order dated 05<sup>th</sup> February, 2026 in the matter of Semapur Enterprises Private Limited for violating Section 137(3) of the Companies Act, 2013 for failing to file the Financial Statements for the FY 2023-24. The Adjudicating Authority imposed a penalty of ₹56,200 upon the company and ₹50,000 each on two of the directors of the company.

<https://www.mca.gov.in/bin/dms/getdocument?mds=HiFUHplIKh7SOoMJF4kvDA%253D%253D&type=open>

**45. Adjudication Order for violation of Section 137 of the Companies Act, 2013 in the matter of SEMAPUR ENTERPRISES PRIVATE LIMITED**

ROC Patna issued an adjudication order dated 05<sup>th</sup> February 2026 in the matter of Semapur Enterprises Private Limited for violating Section 137(3) of the Companies Act, 2013 for failing to file the Financial Statements for the FY 2021-22. The Adjudicating Authority imposed a penalty of ₹1,29,300 upon the company and ₹50,000 each on two of the directors of the company.

<https://www.mca.gov.in/bin/dms/getdocument?mds=bz%252B%252BUvHOylqron4Zf%252BIn3g%253D%253D&type=open>

**46. Adjudication Order for violation of Section 137 of the Companies Act, 2013 in the matter of SEMAPUR ENTERPRISES PRIVATE LIMITED**

ROC Patna issued an adjudication order dated 05<sup>th</sup> February, 2026 in the matter of Semapur Enterprises Private Limited for violating Section 137(3) of the Companies Act, 2013 for failing to file the Financial Statements for the FY 2020-21. The Adjudicating

Authority imposed a penalty of ₹1,65,800 upon the company and ₹50,000 each on two of the directors of the company.

<https://www.mca.gov.in/bin/dms/getdocument?mds=djDboZdK3COvfVVhIYCLSA%253D%253D&-type=open>

**47. Adjudication Order for violation of Section 137 of the Companies Act, 2013 in the matter of SEMAPUR ENTERPRISES PRIVATE LIMITED**

ROC Patna issued an adjudication order dated 05<sup>th</sup> February, 2026 in the matter of Semapur Enterprises Private Limited for violating Section 137(3) of the Companies Act, 2013 for failing to file the Financial Statements for the FY 2022-23. The Adjudicating Authority imposed a penalty of ₹92,800 upon the company and ₹50,000 each on two of the directors of the company.

<https://www.mca.gov.in/bin/dms/getdocument?mds=rrZDZZvw7cluXFi84Fqcpq%253D%253D&-type=open>

**48. Adjudication Order for violation of Section 137 of the Companies Act, 2013 in the matter of TRIUMFINA SALES AND SERVICES PRIVATE LIMITED**

ROC Patna issued an adjudication order dated 05<sup>th</sup> February, 2026 in the matter of Triumphina Sales and Services Private Limited for violating Section 137(3) of the Companies Act, 2013 for failing to file the Financial Statements for the FY 2023-24. The Adjudicating Authority imposed a penalty of ₹56,200 upon the company and ₹50,000 each on two of the directors of the company.

<https://www.mca.gov.in/bin/dms/getdocument?mds=W%252FZXRODLfLWcr29AZ0ixx-A%253D%253D&type=open>

**49. Adjudication Order for violation of Section 117 of the Companies Act, 2013 in the matter of LOKVIKAS BENEFIT NIDHI LIMITED**

ROC Kanpur issued an adjudication order dated 02<sup>nd</sup> February, 2026 in the matter of Lokvikas Benefit Nidhi Limited for violating Section 117 of the Companies Act, 2013 for failing to file e-Form MGT-14 within the prescribed statutory timeline for the financial year 31.03.2020. The Adjudicating Authority imposed a penalty of ₹1,85,300 upon the company and ₹50,000 each on three of the directors of the company.

<https://www.mca.gov.in/bin/dms/getdocument?mds=xnSNVxlygbtNJ2AKf7lwcg%253D%253D&-type=open>

**50. Adjudication Order for violation of Section 117 of the Companies Act, 2013 in the matter of LOKVIKAS BENEFIT NIDHI LIMITED**

ROC Kanpur issued an adjudication order dated 02<sup>nd</sup> February 2026 in the matter of Lokvikas Benefit Nidhi Limited for violating Section 117 of the Companies Act, 2013 for failing to file e-Form MGT-14 within the prescribed statutory timeline for the financial year 31.03.2018. The Adjudicating Authority imposed a penalty of ₹2,00,000 upon the company and ₹50,000 each on three of the directors of the company.

<https://www.mca.gov.in/bin/dms/getdocument?mds=t5Jve%252F0CyUzb%252F2xIA-39Jag%253D%253D&type=open>

**51. Adjudication Order for violation of Section 117 of the Companies Act, 2013 in the matter of LOKVIKAS BENEFIT NIDHI LIMITED**

ROC Kanpur issued an adjudication order dated 02<sup>nd</sup> February 2026 in the matter of Lokvikas Benefit Nidhi Limited for violating Section 117 of the Companies Act, 2013, failed to filing of e-Form MGT-14 within the prescribed statutory timeline for the financial year 31.03.2019. The Adjudicating Authority imposed a penalty of ₹2,00,000 upon the company and ₹50,000 each upon three of the directors of the company.

<https://www.mca.gov.in/bin/dms/getdocument?mds=%252F%252FRjc88yjlY3pDyXMwkDE-g%253D%253D&type=open>

**52. Adjudication Order for violation of Section 450 of the Companies Act, 2013 in the matter of PILLARS MUTUAL NIDHI LIMITED**

ROC Kanpur issued an adjudication order dated 02<sup>nd</sup> February 2026 in the matter of Pillars Mutual Nidhi Limited for violating Rule 12A of Companies (Appointment and Qualification of Directors) Rules, 2014 for the non-filing of e-form DIR-3 KYC. The Adjudicating Authority imposed a penalty of ₹2,00,000 upon the company and ₹50,000 each on three of the directors of the company.

<https://www.mca.gov.in/bin/dms/getdocument?mds=%252FFZ%252FcmIkGEs1mJ6eJbow-LA%253D%253D&type=open>

**53. Adjudication Order for violation of Section 4 of the Companies Act, 2013 in the matter of META TECH VENTURES PRIVATE LIMITED**

ROC Kanpur issued an adjudication order dated 04<sup>th</sup> February, 2026 in the matter of Meta Tech Ventures

Private Limited for violating Section 4(1)(c) of the Companies Act, 2013, the company carrying out business activities that were not authorized by its Memorandum of Association (MOA). The Adjudicating Authority imposed a penalty of ₹1,00,000 upon the company and ₹25,000 each on three of the directors of the company.

<https://www.mca.gov.in/bin/dms/getdocument?mds=FzIeLCKmrlugOshJzMVGEg%253D%253D&-type=open>

**54. Adjudication Order for violation of Section 134 of the Companies Act, 2013 in the matter of PRANAM INDIA NIDHI LIMITED**

ROC Kanpur issued an adjudication order dated 06<sup>th</sup> February, 2026 in the matter of Pranam India Nidhi Limited for violation of Section 134(3) of the Companies Act, 2013 for failing to maintain unencumbered term deposits of at least 10% of its outstanding deposit for the FY 2015-16. The Adjudicating Authority imposed a penalty of ₹3,00,000 upon the company and ₹50,000 each on three of the directors of the company.

<https://www.mca.gov.in/bin/dms/getdocument?mds=Iuae9s7JBVzCt0cLtyVJFA%253D%253D&-type=open>

**55. Adjudication Order for violation of Section 134 of the Companies Act, 2013 in the matter of PRANAM INDIA NIDHI LIMITED**

ROC Kanpur issued an adjudication order dated 06<sup>th</sup> February, 2026 in the matter of Pranam India Nidhi Limited for violation of Section 134(3) of the Companies Act, 2013 for failing to disclose the non-maintenance of the minimum unencumbered term deposits of its outstanding deposits for the FY 2016-17. The Adjudicating Authority imposed a penalty of ₹3,00,000 upon the company and ₹50,000 each on three of the directors of the company.

<https://www.mca.gov.in/bin/dms/getdocument?mds=YGWA Bvvs%252FjmMSatss3Ruy-w%253D%253D&-type=open>

**56. Adjudication Order for violation of Section 168 of the Companies Act, 2013 in the matter of SONANCHAL MUDRA NIDHI LIMITED**

ROC Kanpur issued an adjudication order dated 10<sup>th</sup> February, 2026 in the matter of Sonanchal Mudra Nidhi Limited for violation of Section 168 (1) of the Companies Act, 2013, for non-filing of Form DIR-12 regarding the resignation of director. The Adjudicating Authority imposed a penalty of

₹3,00,000 upon the company and ₹1,00,000 each on two of the directors of the company.

<https://www.mca.gov.in/bin/dms/getdocument?mds=prPF%252BwpJIY%252FTUU8GvdRx-8w%253D%253D&-type=open>

**57. Adjudication Order for violation of Section 137 of the Companies Act, 2013 in the matter of RAMESH NIDHI LIMITED**

ROC Chennai issued an adjudication order dated 02<sup>nd</sup> February, 2026 in the matter of Ramesh Nidhi Limited for violation of Section 137 of the Companies Act, 2013 for failing to file the financial statements within stipulated time for the financial year ending 31.03.2023. The Adjudicating Authority imposed a penalty of ₹49,300 each upon the company and one of the directors of the company.

<https://www.mca.gov.in/bin/dms/getdocument?mds=6uOw89teDWsxH9XQL6vRjA%253D%253D&-type=open>

**58. Adjudication Order for violation of Section 92 of the Companies Act, 2013 in the matter of RAMESH NIDHI LIMITED**

ROC Chennai issued an adjudication order dated 02<sup>nd</sup> February, 2026 in the matter of Ramesh Nidhi Limited for violation of Section 92 of the Companies Act, 2013 for failing to file the Annual Return within stipulated time frame. The Adjudicating Authority imposed a penalty of ₹46,500 each upon the company and five of the directors of the company.

<https://www.mca.gov.in/bin/dms/getdocument?mds=fajz7wsIRkf1Jl%252BfKqvVWA%253D%253D&-type=open>



# 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 Section on 'National/International Reports: Analysis' from 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 Section on 'Book Review' is inserted from 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

*Shareholder classified as a “promoter” of the company which defaulted in filing financial results and was later compulsorily delisted..... Freezing of demat account by NSDL acting under directives of SEBI .....Petition arise under Article 226 of the Constitution of India before the High Court*

### Facts of the Case

1. The Petitioner, a medical practitioner and senior citizen investor, held long-term investments in various listed securities through demat accounts.
2. The Petitioner had originally subscribed to shares of ABC Limited (hereinafter referred as “the company”) at the time of its incorporation in 1989. The company was promoted by his father-in-law in 1989. In that year, he subscribed to 2,000 shares of the company followed by an additional 1,000 shares in 1993. Subsequently, in 2005, a sub-division of shares in the ratio of 1:5 increased his holding to 15,000 shares. Later, in 2014, the company issued bonus shares in the proportion of 1:2, which further raised his total shareholding to 30,000 shares. The petitioner contends that he sold 9478 shares in February 2016 keeping his shareholding in the company to about 20,522 shares, which was less than 0.01% of the total paid-up share capital of the company.
3. The petitioner was classified as a “promoter” solely on account of his relationship with the chief promoter of the company though he never participated in the management or day-to-day affairs of the company.
3. In 2016–2017, the company, owing to financial issues, failed to submit quarterly financial results under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (LODR Regulations).
4. On 2 March 2017, the Bombay Stock Exchange (BSE) issued a letter to the company regarding non-submission of financial results under Regulation 33 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The communication recorded that the company had failed to submit its quarterly financial results for the period ending December 2016 and, consequently, was liable to pay a fine. The company was further advised to refer to SEBI Circular dated 30 November 2015. In response, the company took up the matter with SEBI by submitting a reply dated 20 March 2017, which was addressed to both the BSE and the National Stock Exchange (NSE).
4. Pursuant to SEBI Circulars dated 30 November 2015 and 26 October 2016 prescribing Standard Operating Procedure (SOP) for non-compliance, the stock exchanges imposed fines and initiated freezing of promoter/promoter group shareholding. The matter was taken up with SEBI.
5. Acting upon communications from the stock exchanges, the depository froze the Petitioner’s demat account, including securities unrelated to the defaulting company.
6. Subsequently, the company was compulsorily delisted under the SEBI (Delisting of Equity Shares) Regulations, 2009, and the Petitioner’s demat account was marked as “Suspended for Debits”.
7. The Petitioner challenged the freezing before the Securities Appellate Tribunal and thereafter filed a writ petition before the High Court.

**Submission of Petitioner:**

1. He had no involvement in the affairs or functioning of the company either directly or indirectly. He was never part of its management nor did he act in any advisory capacity. His classification as a “promoter” was solely on account of his relationship with the chief promoter of the company, namely his father-in-law, a fact of which he remained unaware until June 2017, when his demat accounts were frozen by NSDL merely because he had initially subscribed to shares of the company.
2. In March 2017, upon receiving his monthly statement of accounts, he discovered that certain shares in his demat account maintained with the Stock Holding Corporation of India Limited (SHCIL) had been frozen. According to him, NSDL froze his demat account by applying SEBI Circular No. dated 30 November 2015 and 26 October 2016. The freeze extended not only to his shareholding in the company but also to his investments in other company.
3. On 4 January 2018, the petitioner addressed a detailed letter to SEBI asserting that he was never in any direct or indirect control of the company and had never held any position in the company. He emphasized that he was unaware of any alleged violation of the SEBI (LODR) Regulations by the company. The petitioner further clarified that he had been named as an investor-promoter at the time of the company’s incorporation in 1989, but had never been a director or involved in its day-to-day affairs. He contended that his demat accounts were frozen without any prior notice or opportunity of hearing, thereby depriving him of his rights without due process.
4. In these circumstances, the petitioner, aggrieved by the freezing of his demat account, preferred an appeal before the Securities Appellate Tribunal (“the Tribunal”). By its order dated 18 April 2018, the Tribunal disposed of the appeal with a direction to the Bombay Stock Exchange (BSE) and the National Stock Exchange (NSE) to consider and decide upon the representation made by the petitioner. In this view of the matter, it was observed by the Tribunal that nothing survived in the petitioner’s appeal.
5. The petitioner, however, desired that the securities in the petitioner’s frozen demat account, be transferred to his other demat account. However, due to the freezing of the securities by NSDL, the securities could not be transferred and the same was sent to the ‘omnibus system’ of NSDL.

It is on such conspectus, the petitioner has filed the present petition with following contentions:

- Freezing of personal demat accounts without notice violates principles of natural justice.
- Section 11(4) of the SEBI Act permits attachment only for a limited duration and subject to reasons recorded in writing.
- Circulars cannot create substantive penal consequences beyond statutory authority.
- Freezing unrelated securities violates Articles 14 and 300A of the Constitution.
- No adjudication under Section 15-I of the SEBI Act was conducted before imposing penal consequences

**Submission of SEBI and Stock Exchanges:**

- SEBI is empowered under Sections 11, 11A and 30 of the SEBI Act to regulate securities market.
- LODR Regulations were validly framed and laid before Parliament.
- Promoters bear responsibility for compliance of listed companies.
- Freezing of promoter shareholding is part of enforcement mechanism under SOP circulars.
- After compulsory delisting, restrictions under Delisting Regulations apply to promoters.

***The question of law for consideration before the High Court are:***

1. Whether SEBI can authorize freezing of promoters’ personal demat accounts through circulars issued under the LODR Regulations?
2. Whether freezing of demat accounts without individual notice and hearing violates Articles 14, 21 and 300A of the Constitution?
3. Whether classification as “Promoter” without management control justifies coercive regulatory action?

***Now decide the said legal issues in view of above facts and submissions***

***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 – February 2026**

**CS Suman Goyal - ACS - 60194**

# BEST ANSWER - CASE STUDY - FEBRUARY, 2026

**Query:** There are 23 OPs arrayed in the present matter; however, the specific role, conduct and contribution of each OP have not been mentioned in the Information.

**Decide the case under Section 33 of the Act for grant of relief to the Informant.**

## Background

The present case has been filed by SKG (Informant) under Section 19(1)(a) of the Competition Act, 2002 ("Act") alleging contravention of Sections 3 and 4 of the Act by 23 Opposite Parties (OPs) operating in the digital ecosystem. The Informant has sought interim relief under Section 33 of the Act, primarily in the nature of cease-and-desist directions, restoration of access to digital advertising systems and restraint on alleged diversion of traffic and suppression of listings.

## Issue for consideration

**Whether interim relief under Section 33 of the Act can be granted when the Informant fails to specify the role, conduct and contribution of each of the 23 OPs.**

## Legal Framework under Section 33 of the Act

- Query is based on the applicability of certain provisions of Section 33 of the Competition Act, 2002. Extracts of the Section 33 are as follows:

"Section 33: Power to issue interim orders

*Where during an inquiry, the Commission is satisfied that an act in contravention of sub-section (1) of section 3 or sub-section (1) of Section 4 or Section 6 has been committed and continues to be committed or that such act is about to be committed, the Commission may, by order, temporarily restrain any party from carrying on such act until the conclusion of such inquiry or until further orders, without giving notice to such party, where it deems it necessary."*

- It is relevant to note that the power under Section 33 is exercisable *during the pendency of an inquiry* and is not intended to substitute the substantive determination under Sections 26 and 27 of the Act.
- It means that Section 33 of the Act empowers the Competition Commission of India ("CCI") to grant interim relief only if the following cumulative conditions are satisfied:
  - Existence of a strong prima facie case of contravention of the Act;
  - Balance of convenience in favour of the Informant; and
  - Likelihood of irreparable harm if interim relief is not granted.
- It is settled law that interim relief is an extraordinary remedy and cannot be granted merely on the basis of conjectures, apprehensions or unsubstantiated allegations, particularly in complex digital markets.

## Relevant Case Law

- In *Preeti Kodwani v. Sundar Pichai & Ors.*, Case No. 36 of 2025, the CCI declined to intervene where:
  - Allegations were broadly made against multiple digital entities;
  - The Informant lacked specific attribution of conduct; and
  - No cogent material existed to demonstrate abuse of dominance or anti-competitive agreement.

- The CCI observed that the Competition Act cannot be invoked to remedy individual business grievances unless competition harm is clearly established.
- Similar to the present case, the Commission in the said case emphasized that generalized allegations against multiple digital platforms, without OP-wise role attribution, are insufficient to warrant interim intervention.

## Analysis of the Present Case

### (a) Absence of Specific Allegations Against Individual OPs

- In the present case, although 23 OPs have been arrayed, the Information:
  - Does not identify the relevant market with precision for each OP;
  - Does not establish dominance of any specific OP as required under Section 4;
  - Does not attribute specific conduct, agreement, algorithmic control or decision-making role to individual OPs; and
  - Makes generalized and omnibus allegations against "dominant digital platforms" without demonstrating coordinated action or meeting the legal threshold of an agreement or concerted practice under Section 3.

### (b) Failure to Establish Prima Facie Case

- The Informant alleges market allocation, denial of market access and unfair conditions. However:
  - No material evidence has been placed on record to demonstrate actual manipulation of digital identifiers, algorithmic bias or diversion of leads by any identified OP;
  - Allegations of international boycott and collusion are speculative and unsupported by documentary or technical evidence;
  - The Informant does not distinguish between independent business decisions of platforms and conduct that may amount to abuse of dominance.

### (c) Balance of Convenience and Irreparable Harm

- Grant of interim relief against 23 OPs, in the absence of clearly established roles and specific conduct, would result in disproportionate interference with legitimate business operations of digital platforms. Such directions may have wide-ranging implications not only for the OPs but also for advertisers, consumers and third-party market participants.
- On the other hand, the alleged harm to the Informant is primarily commercial in nature and can be appropriately examined and addressed during the course of inquiry, if any. Accordingly, the balance of convenience does not lie in favour of the Informant, nor is irreparable harm demonstrated at this stage.

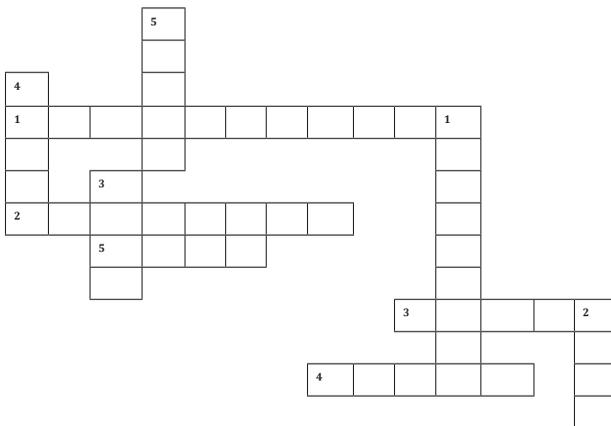
## Conclusion

In this case:

- The Informant has failed to establish a prima facie case of contravention of Sections 3 or 4 of the Act;
- The information lacks specific role attribution and material evidence against the 23 OPs; and
- The statutory requirements for grant of interim relief under Section 33 are not satisfied.

**Accordingly, the prayer for interim relief under Section 33 of the Act is liable to be rejected.**

# CROSSWORD PUZZLE – COMPANY LAW - MARCH 2026



## ACROSS

- Under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, The quorum for every meeting of the board of directors of the top 2000 listed entities shall be one-third of its total strength or three directors, whichever is higher, including at least one \_\_\_\_\_ director.
- Under the Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021, “retail individual investor” means an individual investor who applies or bids for debt securities for a value of not more than \_\_\_\_\_ rupees.
- Under the Insolvency and Bankruptcy Board of India (Liquidation Process) Regulations, 2016, Where there are dues to numerous workmen or employees of the corporate debtor, an authorized representative may submit one proof of claim for all such dues on their behalf in \_\_\_\_\_ of Schedule II.
- Under the Insolvency and Bankruptcy Board of India (Voluntary Liquidation Process) Regulations, 2017, The insolvency professional shall, within \_\_\_\_\_ days of his appointment as liquidator, intimate the Board about such appointment.
- Under Companies Act, 2013, The notice of appointment or cessation of a receiver of, or of a person to manage, the property, subject to charge, of a company shall be filed with the Registrar in Form No. \_\_\_\_\_ along with fee.

## DOWNWARDS

- Under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, The listed entity shall redress investor grievances promptly but not later than \_\_\_\_\_ calendar days from the date of

receipt of the grievance and in such manner as may be specified by the Board.

- Under the Insolvency and Bankruptcy Board of India (Liquidation Process) Regulations, 2016, The liquidator shall not appoint a professional under Regulation 7(1) who is his relative, is a related party of the corporate debtor or has served as an auditor to the corporate debtor in the \_\_\_\_\_ years preceding the liquidation commencement date.
- Under Companies Act, 2013, The Report of the Board shall contain the particulars of contracts or arrangements with related parties referred to in sub-section (1) of Section 188 in the Form \_\_\_\_\_.
- Under the Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021, In the event of non-receipt of minimum subscription, all blocked application money shall be unblocked forthwith, but not later than \_\_\_\_\_ working days from the date of closure of the issue or such time as may be specified by the Board.
- Under the Insolvency and Bankruptcy Board of India (Insolvency Resolution Process for Personal Guarantors to Corporate Debtors) Regulations, 2019, the statement of affairs shall include the information of the guarantor - details of debt owed by guarantor to his associates for the preceding \_\_\_\_\_ financial years.

## Winners - Crossword February 2026

**1<sup>ST</sup>** CS Komal Patel, ACS - 73925

**2<sup>ND</sup>** CS Namita Singla, ACS - 70881

**3<sup>RD</sup>** CS Bhargavi N. R., ACS - 64594

## Crossword Puzzle – February 2026 Answers

### ACROSS

- FIFTY LAKH
- SEVEN
- THREE
- FORM B
- THIRTY SIX

### DOWNWARDS

- FIFTEEN
- THIRTY
- ASSOCIATE
- SEVEN
- TWO LAKHS

# NATIONAL/INTERNATIONAL REPORTS: ANALYSIS

## Gender Equality in a Changing World: Taking Stock and Moving Forward

**Organisation:** OECD

**Month and Year:** January 2026

**Source:** [https://www.oecd.org/en/publications/gender-equality-in-a-changing-world\\_e808086f-en.html](https://www.oecd.org/en/publications/gender-equality-in-a-changing-world_e808086f-en.html)

*(Please refer the link for complete report)*

### INTRODUCTION

With the increased impetus being given on sustainable growth and digital advancements, this report explores the ways in which integrating existing indicators such as equitable education, gender equality in labour market and, women safety in EU and OECD countries, can foster gender considerations through all stages of policy design, implementation and evaluation. Amidst the remarkable achievements that women have showcased over the past decades in various fields, there is a grave need to understand the challenges in the development of policies that support the gender equality to nurture women empowerment in the true letter and spirit. This report proposes suggestive measures to overcome these challenges. The report also suggests a unique conceptual model for guiding gender considerations in policy combinations. The framework supports policymakers with tools and methods to evaluate the impact of their decisions on women and men across sectors, policy areas and phases of the policy cycle while assimilating existing institutions and directives.

### OBJECTIVES OF THE STUDY

- To understand gender gaps, assess policy effectiveness through the analyses of Gender-disaggregated data.
- To develop approaches towards policy combinations for advancement of gender equality.
- To leverage the insights and capacities of all actors through multi-Stakeholder engagement.
- To support issue specific policy recommendations.

### METHODOLOGY OF THE STUDY

To understand how government policies and processes impact people differently, policy makers can undertake quantitative and qualitative gender and intersectional research and data analyses (see Section 2.1.8). This can include population-level statistical analyses, reviews of previous evaluations and expert advice from those targeted by the policy or programme as well as any service providers involved in delivery (OECD, 2023[8]) (see Section 2.1.7). This evidence can also inform prioritisation decisions (see Section 2.1.4).

### KEY TERMS DISCUSSED IN THE REPORT

#### a) Gender Mainstreaming

Gender mainstreaming is an approach that seeks to ensure that all areas of government, including government agendas, policies, programmes and practices, strategically tackle harmful gender norms, stereotypes and gaps between women and men. Gender mainstreaming helps governments make more inclusive decisions and achieve better outcomes for all. According to the 2015 OECD Recommendations on Gender Equality in Public Life, the OECD recommends a dual approach that:

- aims to level the playing field between women and men through actions that target specific forms of gender discrimination and enable progress in the areas affected and;
- promotes the assessment of gender impacts in all governance areas from the earliest stages through to monitoring and evaluation.

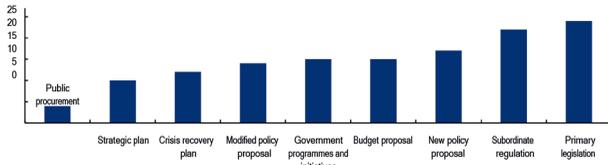
#### b) Gender Impact Assessments

Gender impact assessments (GIAs), sometimes also referred to as gender analysis, are a helpful tool for identifying the potential impacts of government decision-making on women and men from diverse backgrounds. Indeed, GIAs are increasingly being viewed as a key policy making tool for promoting gender equality and are one of the most widely used tools for gender mainstreaming in OECD countries (OECD, 2023[7]).

According to the 2021 OECD Survey on Gender Mainstreaming and Governance, 26 out of 34 respondent countries have a formal requirement for GIAs in place. There is, however, no one-size-fits-all approach. In some countries, GIAs are undertaken as a part of a broader regulatory impact assessment, while in other countries, they exist as a standalone exercise. Figure 2.1 shows the range of decisions that are subject to GIAs across the OECD.

**Figure 2.1. Requirements for gender impact assessments (GIAs) are most common for laws and regulations**

Number of countries indicating the existence of gender impact assessment (GIA) requirements, by type of document



Note: Data include responses from 27 OECD countries.

**Source:** OECD (2023[7]), *Joining Forces for Gender Equality: What is Holding us Back?*, based on 2021 OECD Survey on Gender Mainstreaming and Governance (<https://stat.link/9c15nu>).

**c) Gender Budgeting**

Government tax and spending decisions have powerful social, environmental and economic implications. Gender budgeting is a way for governments to ensure that decision-makers have information on how tax and spending choices impact gender equality. As with gender impact assessments, there is no one way to implement gender budgeting and countries tend to choose an approach that builds on the key features of their existing budgeting system. To do so, a range of tools exists, including ex ante gender impact assessment of policies, ex post gender impact assessment of policies, a gender dimension in performance setting, a gender dimension to resource allocation, and a gender needs assessment. Gender budgeting practices are also typically accompanied by standard guidelines from the central budget authority.

**d) Strong Legal Foundation**

A strong legal foundation can provide the basis for integrating a gender perspective into government action. These provisions can take various forms, including:

- general laws and binding decisions on gender equality and mainstreaming;
- general obligations for public servants to advance gender equality in all actions; and
- gender mainstreaming requirements enshrined in specific legislation (e.g. budget, impact assessment, procurement, planning, economic recovery, and emergency management laws) (OECD, 2023[7]).

**e) Whole-of-Government Strategic Planning**

Ensuring a strong commitment to gender equality among political leadership and at the highest levels of government is critical to making the topic a priority for the government’s agenda (OECD, 2016[6]). For this reason, many OECD countries have adopted gender equality strategies, frameworks and action plans

(hereafter, strategies) with the explicit purpose of advancing gender equality and reducing gender gaps.

Social cohesion plays a role in the formulation of effective public policy and whole-of-government strategic plans, requiring a commitment to inclusive public policies (e.g. gender-sensitive social protection systems, guaranteed access to healthcare) and continuous engagement with civil society stakeholders (e.g. involvement of trade unions, women’s associations, rights organisations).

**f) Robust and Effective Co-ordination Mechanisms**

Given the cross-cutting nature of gender inequality, ensuring co-ordination and coherency across policy areas and between related policy and legislative instruments and ministries is essential. This requires gender equality policies to be connected to national economic and social development plans, for legislation and regulation to take gender impact assessments into account and for government decision-makers to be briefed on the cross-cutting gender impacts of new policy proposals.

**g) Adequate Resources and Capacities**

Gender mainstreaming is only possible with adequate resources and capacities – both human and financial. Continuous training and capacity building for civil servants, for instance, is a useful method for developing and maintaining the necessary expertise in gender analysis required for gender mainstreaming and for supporting cross-agency capacity building for those involved in policy implementation, mid-cycle review and course correction.

**h) Stakeholder Engagement**

Stakeholder perspectives may be indispensable for understanding the success or failure of different policies and programmes. To ensure that stakeholder consultation is most effective, governments can target different groups of stakeholders via different methods – e.g. online, on the phone, or in person – while offering adequate time to respond. Governments can also ensure that they engage with representatives external to government from the outset, such as women’s and civil society organisations, academics and trade unions.

**i) High-Quality Gender-Sensitive Data and Evidence**

Gender-disaggregated data should be collected and analysed regularly and repeatedly over several years, allowing governments to track progress against set benchmarks or targets. Ideally, data should be collected to assess the effectiveness of specific policy interventions, for example through (randomised) experimental or quasi-experimental design and pre-and post-implementation assessment of a policy.

The capacity of governments to use such data is equally important. Governments can improve the quality and specificity of gender equality strategies, gender

impact assessments, stakeholder engagement tools and accountability and transparency mechanisms by investing in training and capacity building (see Section 2.1.6).

j) **Comprehensive Monitoring and Evaluation With a Gender Lens**

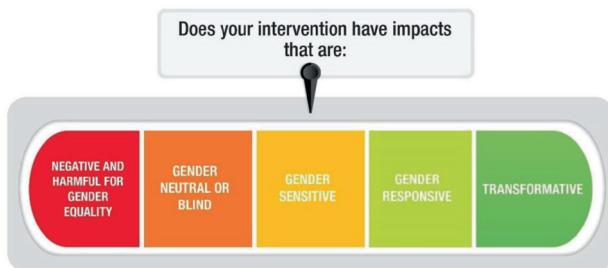
In the context of results frameworks, gender-transformative indicators, measures and benchmarks can reflect short-, medium- and long-term perspectives and can include a mix of process indicators and impact indicators. Using both can help to show which policy settings are working well and what needs to be adjusted and can ensure policies and policy combinations are on track to achieve longer-term outcomes, in line with a theory of change. Monitoring and assessment can also examine whether there are negative externalities, barriers to access and/or implementation or unintended consequences.

**CONCEPTUAL FRAMEWORK FOR PROMOTING GENDER EQUALITY THROUGH POLICY COMBINATIONS**

Building on the policies identified in this report, this chapter provides a conceptual framework to guide policymakers in:

- designing and implementing coordinated policy combinations;
- assessing whether these policies are achieving gender equality outcomes; and
- identifying opportunities for policy improvement.

Figure 3.1. Gender equality continuum



Source: OECD (2022[2]), *Gender Equality and the Empowerment of Women and Girls: DAC Guidance for Development Partners*, <https://doi.org/10.1787/0bddfa8f-en>.

The framework is built around six priority considerations for assessing the impacts of gender equality policy combinations, including:

1. defining what gender equality progress looks like;
2. clarifying scope and sequencing;
3. identifying the range of cross-portfolio policy and programme combinations (e.g. based on the various policy measures identified in this report);
4. establishing baseline measures through a gender audit or programme evaluation planning;

5. understanding and measuring gender equality impacts; and
6. interpreting and reporting results and using assessments to inform future strategies.

**GENDER GAPS IN EDUCATIONAL ATTAINMENT AND OUTCOMES REMAIN**

Gender norms and stereotypes learned through socialisation processes at a young age combine with economic, structural and behavioural factors to translate into gendered choices regarding field of study and level of education. Gender gaps in tertiary educational attainment can be linked to several key factors that are economic, social, structural and behavioural in nature.

- Labour market opportunities and occupational segregation.
- Social norms and economic opportunities.
- Parental expectations.
- Educational systems.
- Degree requirements.
- Impact of low socio-economic status on academic achievement.
- Over-representation of women in education professions.
- Sense of belonging and achievement in academic environments.
- Behaviours associated with educational success.

**POLICY COMBINATIONS**

This section of the report is designed to assist policymakers in identifying the range of cross-portfolio policy and programme combinations (priority consideration 3) and planning for their evaluation (priority consideration 2). Work-life balance are policy combinations supporting gender equality not only across paid and unpaid work, but also leadership, health, educational attainment and skills and more.

**CONCLUSION**

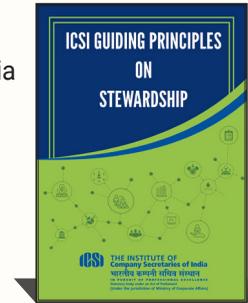
Drawing on novel data and using a lifecycle approach, this report presents a comprehensive stocktaking of how women, men, girls and boys are faring across seven key policy areas – education and skills, paid and unpaid work, leadership and representation, health, gender-based violence, the green transition and the digital transitions. The challenges are significant. Recognising that closing gender gaps requires serious and co-ordinated policy commitments and actions, this report presents countries’ good practices in gender mainstreaming, encourages breaking down silos, and identifies useful policy combinations to advance gender equality. A conceptual framework is included for governments seeking to assess their own legal, policy and budgetary measures, to help countries transform gender equality commitments into action.

**Dte. of Printing**



# ICSI Guiding Principles on Stewardship

<b>Publisher Name:</b>	The Institute of Company Secretaries of India
<b>Edition:</b>	First Edition (September 2024)
<b>Price:</b>	INR 250/-
<b>Pages:</b>	76



## INTRODUCTION

The concept of 'Stewardship' was first introduced by the UK's Institutional Shareholders' Committee Code in 2009, although its roots can be traced back to the stewardship theory of management that predates it. The UK Stewardship Code was established by the Financial Reporting Council (FRC) in 2010. Following the introduction of the UK Code, analogous frameworks began to surface around the world, and currently, there are numerous stewardship codes available globally.

The ICSI Guiding Principles on Stewardship represents a synthesis of various stewardship practices observed across different jurisdictions. Its aim is to delineate particular best practices pertaining to the stewardship obligations of Institutional Investors and Service Providers, including their policies and procedures. The 'ICSI Guiding Principles on Stewardship' offers a framework for putting into action stewardship practices that uphold the fiduciary responsibilities of Institutional Investors and Service Providers towards their clients and/or beneficiaries. The development of the 'ICSI Guiding Principles on Stewardship' takes into account both existing and emerging market practices, regulations, and globally acknowledged best practices.

## DETAILED REVIEW

Chapters 1 to 4 of the book outline the genesis, scope & need of IGPS, and definitions of the key terms giving readers a comprehensive knowledge of the concept of Stewardship.

Chapters 5 and Chapter 6 elaborate on the 'ICSI Guiding Principles on Stewardship'. These principles are prepared to ensure transparent processes. The 6 principles are common for both **Institutional Investors and Service Providers** which help them define their goals, strategies, and investment philosophies, internal governance structures and responsibilities, market-wide and systemic risk identification and response, identifying & managing conflicts of interest, aligning ESG factors in decision-making, and reporting stewardship activities.

In addition to the above, there are 4 'ICSI Guiding Principles on Stewardship' for Institutional Investors, that provide frameworks for Institutional Investors to monitor the investee entities, continuous engagement with the Investee entities, taking collaborative approach in exercising stewardship responsibilities and exercising & protecting voting rights.

## CONCLUSION

The 'ICSI Guiding Principles on Stewardship' described in the book are prepared after a detailed secondary data research on the existing global stewardship practices. The book is written in a simple and lucid manner and is application oriented. The 'ICSI Guiding Principles on Stewardship' shall serve as a useful resource book for institutional investors and service providers in building an ecosystem of transparency and credibility to support responsible investing.

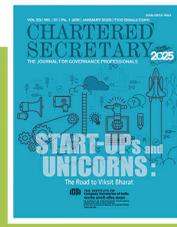
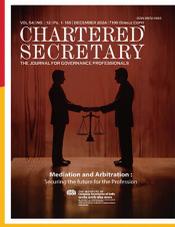
The book covers references for further reading and annexures on **Reporting Formats** for Institutional Investors and Service Providers to effectively implement the 'ICSI Guiding Principles on Stewardship'. The book provides first-hand information for readers who want to learn more about the topic and comprehend how these principles are put into practice.

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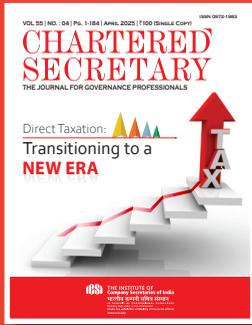
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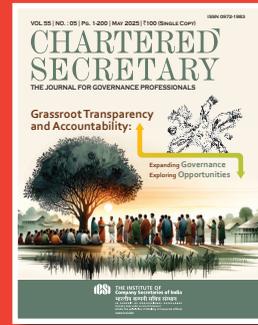


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