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। speak the truth. abide by the law.

Mission
"To develop high calibre professionals facilitating good corporate governance"

Friday, January 02, 2026

Info Capsule

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CS Dhananjay Shukla
Vice President
CS Pawan G Chandak

❖ *Ministry of Law and Justice*

Repealing and Amending Act 2025 passed to simplify legal framework (January 02, 2026)

The Repealing and Amending Act, 2025, was passed in the recently concluded winter session of the Parliament. The Act aims to simplify the country's legal framework by repealing obsolete and redundant laws and making targeted amendments to select existing statutes. Under the Act, 71 obsolete Acts from 1886 to 2023 have been repealed that were redundant and no longer relevant from the statute book. The four core laws, including the Code of Civil Procedure, the General Clauses Act, the Succession Act, and the Disaster Management Act, are also amended under the Act to make legislation clearer and more consistent with present-day administration. Further, the Savings Section of the Act ensures that no accrued rights, liabilities, proceedings, or obligations are affected by repeals. In a nutshell, the Act improves ease of governance and ensures that the nation's legal environment evolves with the needs of a modern economy.

For details:
https://www.newsonair.gov.in/repealing-and-amending-act-2025-passed-to-simplify-legal-framework/

❖ *Ministry of Corporate Affairs*

MCA replaces Annual KYC requirements under the Companies Act, 2013 with abridged KYC requirements once in three years (January 1, 2026)

The annual KYC requirement for directors in companies under rule 12A of the Companies (Appointment & Qualification of Directors) Rules, 2014 has been amended

Pursuant to the amendment in the Rules notified on 31st December, 2025 (to be effective from 31st March, 2026), annual KYC filing requirement has been replaced with a simpler KYC intimation once in every three years. The revised simpler KYC Form can be used for various purposes viz (i) KYC compliance, (ii) updation of mobile number, (iii) updation of email address, (iv) updation of residential address and (v) re-activation of DIN. The verification (through digital signature) by DIN holder/director and certification (through digital signature) by the professional during KYC filing process would be required only if the KYC Form is submitted for updation of mobile number or email address or residential addresses.

For details:

https://www.pib.gov.in/PressReleasePage.aspx?PRID=2210552&reg=3&lang=1

❖ *Ministry of Finance*

- **Indian Insurance Companies (Foreign Investment) Amendment Rules, 2025(December 30, 2025)**

In exercise of the powers conferred by clause (aaa) of sub-section (2) of section 114 read with sub-clause (b) of clause (7A) of section 2 of the Insurance Act, 1938 , the Central Government amended the Indian Insurance Companies (Foreign Investment) Rules, 2015.
Indian Insurance Companies (Foreign Investment) Amendment Rules, 2025 inter alia provides that "Foreign Direct Investment" (FDI) means the investment by non-resident entities or persons resident outside India and other eligible entities in the equity shares of an Indian Insurance Company under the Foreign Exchange Management (Non-debt Instruments) Rules, 2019:
Provided that for the purposes of these rules, Foreign Direct Investment shall include investment by Foreign Venture Capital Investors (FVCI) as permissible under the Foreign Exchange Management (Non-debt Instruments) Rules, 2019.
According to Rule 4, In an Indian Insurance Company having foreign Investment, at least one amongst the Chief Executive Officer, managing director and chairperson of its Board, shall be Resident Indian Citizens.

For details:

https://egazette.gov.in/(S(yb1zq2ubbdfb3fb3fvsaoawb))/ViewPDF.aspx

- **PFRDA introduces policy reforms to promote sustainable growth of NPS (January 01, 2026)**

The Pension Fund Regulatory and Development Authority's (PFRDA) board has approved, in principle, a framework to permit Scheduled Commercial Banks (SCBs) to independently set up Pension Funds to manage NPS, with the objective of strengthening the pension ecosystem. This shall enhance competition and safeguard subscriber's interests. The proposed framework seeks to address existing regulatory constraints that had limited bank participation till now. By introducing a clearly defined eligibility criteria based on net worth, market capitalisation and prudential soundness in line with RBI norms, it will ensure that only well-capitalised and systemically robust banks are permitted to sponsor Pension Funds. The detailed criteria will be notified separately and will apply to both new and existing Pension Funds.

For details:
https://www.pib.gov.in/PressReleasePage.aspx?PRID=2210396&reg=3&lang=1

❖ *Business and Economy*

GST collections rise 6.1% in December to Rs 1.75 lakh crore (January 01,2026)

Gross Goods and Services Tax (GST) collections in December rose 6.1 per cent year-on-year to about Rs 1.75 lakh crore, compared to around Rs 1.64 lakh crore in the same month last year, according to official data released on Thursday.
In December, collections from Central GST (CGST) and State GST (SGST) registered growth, while Integrated GST (IGST) declined on a year-on-year basis, the data showed.
For the period April to December of the current financial year 2025–26, gross GST collections increased by 8.6 per cent to about Rs 16.5 lakh crore, compared to Rs 15.2 lakh crore during the corresponding period of the previous fiscal. All major components—CGST, SGST and IGST—recorded growth during this period.
The average monthly GST collection in 2024–25 stood at Rs 1.84 lakh crore, the highest since the GST regime was launched in 2017. GST revenues have shown a steady upward trend over the years, rising from Rs 11.37 lakh crore in 2020–21 to Rs 20.18 lakh crore in 2023–24, reflecting stronger economic activity and improved compliance.

For details:
https://ddnews.gov.in/en/gst-collections-rise-6-1-in-december-to-rs-1-75-lakh-crore/

❖ *ESG UPDATE*

Total Energies

- The company has launched an internal program "Our 5 Levers for a Sustainable Change" which is aimed at engaging their employees to collectively embed sustainability into their corporate culture, building on past success in improving safety standards.
- The company has implemented local sustainable development plans and waste treatment initiatives, demonstrating their commitment to circular economy principles.
- The company has launched major Low-Carbon and Renewable Initiatives such as:
    - Construction of an innovative low-carbon LNG plant in Oman.
    - Deployment of Integrated Power strategy in Germany.
    - Expansion into Clean Firm Power in the United States.
    - Increased Sustainable Aviation Fuel (SAF) development.

For details:
https://totalenergies.com/system/files/documents/totalenergies_sustainability-climate-2025-progress-report_2025_en.pdf

❖ *Pronouncement*

November 24, 2025	**Livein Aqua Solutions Private Limited (Appellant) Versus HDFC Bank Limited (Respondent)**	**Supreme Court of India Civil Appeal No. 11766 of 2025 2025 INSC 1349**

Financial Creditor Can Cure the Procedural Defect under Section 7 of the IBC

Brief Facts

Appellant company availed a loan facility from the Respondent-bank and the same came to be classified as a non-performing asset. Respondent filed an application under Section 7 of the IBC. NCLT non-suited the Respondent-bank, in its petition filed under Section 7 of the IBC against the Appellant-company. Disgruntled, the Respondent-bank filed an appeal before NCLAT. NCLAT allowed the appeal and restored C.P.(IB)/97(AHM)2024 to its original number. The matter was remanded to be decided on merits and in accordance with law. Aggrieved thereby, the Appellant is in appeal under Section 62 of the IBC.

Judgement

Hon'ble Apex Court referred to the case of *Dena Bank (now Bank of Baroda) vs. C. Shivakumar Reddy and another (2021) 10 SCC 330,* wherein Supreme Court had observed as under:

'91. Furthermore, the proviso to Section 7(5)(b) IBC obliges the adjudicating authority to give notice to an applicant, to rectify the defect in its application within seven days of receipt of such notice from the adjudicating authority, before rejecting its application under clause (b) of sub-section (5) of Section 7 IBC. When the adjudicating authority calls upon the applicant to cure some defects that defect has to be rectified within seven days. There is no penalty prescribed for inability to cure the defects in an application within seven days from the date of receipt of notice, and in an appropriate case, the adjudicating authority may accept the cured application, even after expiry of seven days, for the ends of justice.'

Therefore, issuance of a notice to an authorized representative of the respondent-bank was not enough to satisfy the mandate of the proviso to Section 7(5)(b) of the IBC. The IBC, being the substantive legislation relating to the application filed by the respondent-bank under Section 7 thereof, the notice to cure the defects therein necessarily had to be given under the said provision and compliance with the Rules, independently framed for the National Company Law Tribunal, was not sufficient.

As pointed out by this Court in *Vidyawati Gupta and others vs. Bhakti Hari Nayak and others(2006) 2 SCC 777*, rules of procedure are made to further the cause of justice and not to prove a hindrance thereto. Again, in *Uday Shankar Triyar vs. Ram Kalewar Prasad Singh and another(2006) 1 SCC 75,* this Court pointed out that non-compliance with any procedural requirement relating to an application for relief should not entail automatic dismissal or rejection, unless the relevant statute or rule so mandates, and procedural defects and irregularities which are curable should not be allowed to defeat substantive rights or to cause injustice. It was further pointed out that procedure, a handmaiden to justice, should never be made a tool to deny justice or perpetuate injustice, by any oppressive or punitive use.

On the above analysis, Supreme Court opined that, even though the Registry of the NCLT issued process under Rule 28 of the NCLT Rules, the same was insufficient as there was no communication of a notice under the proviso to Section 7(5)(b) of the IBC at any time. We, therefore, find no error having been committed by the NCLAT in holding to this effect. However, the NCLAT ought to have asked the respondent-bank to cure the defective affidavit at least at that stage instead of ignoring the same and directing the NCLT to proceed to hear the company petition on merits and in accordance with law. To that extent, the NCLAT was in error.

The appeal is accordingly disposed of directing the respondent bank to cure the defects in C.P.(IB)/97(AHM)2024, including the defective affidavit, within seven days from today, and the National Company Law Tribunal, Ahmedabad Bench, shall thereupon take up the matter for hearing in accordance with law and due procedure.

For details:

https://www.sci.gov.in/view-pdf/?diary_no=510182025&type=j&order_date=2025-11-24&from=latest_judgements_order

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❖ *Market Watch*

Stock Market Indices as on 02.01.2026	
S & P BSE Sensex	85762.01 (+0.67%)
Nifty 50	26328.55 (+0.70%)

Foreign Exchange Rates as on 02.01.2026
(https://m.rbi.org.in//scripts/ReferenceRateArchive.aspx)

INR / 1 USD	INR / 1 EUR	INR / 1 GBP	INR/ 1 JPY
90.12	105.84	121.35	.57

Prepared by Directorate of Academics

For any suggestions, please write to academics@icsi.edu,

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