



Vision

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

Motto

सत्यं वद। धर्मं चर। इष्टार्थे तेज त्पुके। प्रान्दपः लेखेतेषुद्वन्द्वे

Mission

"To develop high calibre professionals facilitating good corporate governance"

Monday, February 02, 2026

Info Capsule

President

CS Pawan G Chandak

Vice President

CS Dwarakanath C

❖ *Ministry of commerce and Industry*

Union Budget 2026-27: Exports Take Centre Stage as Budget Pushes Jobs, Manufacturing and Global Value Chains (February 01, 2026)

The Union Budget 2026-27 places international trade and exports at the heart of India's growth strategy, reaffirming the Government's commitment to building a competitive, resilient, and globally integrated economy. Anchored in macroeconomic stability, fiscal discipline, and sustained public investment, the Budget advances a comprehensive reform and investment agenda aimed at strengthening India's position as a trusted global trading partner and accelerating progress towards the vision of Viksit Bharat.

A major highlight of the Budget is its sharp focus on scaling domestic manufacturing in strategic and labour-intensive sectors, thereby strengthening export competitiveness and reducing critical import dependence. Flagship initiatives include Biopharma SHAKTI, the launch of India Semiconductor Mission 2.0, expansion of the Electronics Components Manufacturing Scheme, development of Rare Earth Corridors, establishment of Chemical Parks, and targeted support for capital goods and container manufacturing.

For details:

<https://www.pib.gov.in/PressReleasePage.aspx?PRID=2221840®=3&lang=1>

❖ *Business Economy*

• USISPF welcomes Union Budget, describing it as progressive & comprehensive roadmap (February 02, 2026)

The US-India Strategic Partnership Forum (USISPF) has welcomed the Union Budget, describing it as a progressive and comprehensive roadmap that strengthens India's competitiveness, boosts investment, and enhances ease of doing business. In a statement, USISPF said the Budget's strong focus on trade facilitation, customs modernisation, tariff rationalisation, banking sector reforms, and strategic sectoral support aligns closely with industry priorities and reinforces India's position as an attractive global investment destination. On the tariff front, the forum said targeted customs duty rationalisation would support India's manufacturing, clean energy, and high-technology ambitions. USISPF also welcomed the Centre's announcement of a high-level committee on banking sector reforms, which will review the sector's structure, efficiency, and preparedness to support India's next phase of economic growth while safeguarding financial stability and inclusion.

For details: <https://www.newsonair.gov.in/usispf-welcomes-union-budget-describing-it-as-progressive-comprehensive-roadmap/>

❖ *GST*

GST collections up by 6.2% in January 2026 as compared to same month last year (February 02, 2026)

The total gross Goods and Services Tax, GST collections grew 6.2 per cent to over one lakh 93 thousand crore rupees in January, 2026 as compared to the same month in 2025. The total gross GST revenue in January 2025 was over one lakh 82 thousand crore rupees.

The Central GST collection in January last month stood at 38 thousand seven hundred ninety-two crore rupees and State GST are at forty-seven thousand eight hundred seventeen crore rupees. The Integrated GST, IGST collection amounts to one lakh six thousand seven hundred seventy-five crore rupees.

For

details: <https://www.newsonair.gov.in/sensex-rises-222-points-nifty-gains-76/>

- **UPI transactions soar to record at Rs 28.33 lakh crore in January (February 01, 2026)**

Transactions through the popular Unified Payments Interface (UPI) touched a record Rs 28.33 lakh crore and 21.70 billion in value and volume terms, respectively, in January, according to data released by the National Payments Corporation of India (NPCI). NPCI said the value of transactions was at Rs 27.97 lakh crore in December. On a month-on-month basis, the growth was 21 per cent in value terms. The average daily transaction in January was 700 million with an average value of Rs 91,4033 crore.

For details: <https://economictimes.indiatimes.com/industry/banking/finance/banking/upi-transactions-soar-to-record-at-rs-28-33-lakh-crore-in-january/articleshow/127838661.cms>

- **Country's real GDP estimated to grow by 7.4% in current fiscal, with nominal GDP growth at 8 % (February 01, 2026)**

The Finance Ministry has highlighted that India's real GDP is estimated to grow by 7.4 per cent in 2025-26, with nominal GDP growth at 8 per cent. The Ministry said in a statement that in the Union Budget, nominal GDP is projected to grow by 10 per cent over the First Advance Estimates of 2025-26. The services sector remains the primary growth driver, expanding by 9.1 per cent. Total resources shared with States through the Finance Commission route are estimated at 16.56 lakh crore in 2026-27. The effective capital expenditure in 2026-27 is estimated at 17.15 lakh crore rupees.

For details: <https://www.newsonair.gov.in/india-a-global-bright-spot-with-7-4-gdp-growth-outlook-fm-nirmala-sitharaman/>

- **Market borrowings to rise in FY27, higher supply likely to weigh on bond markets: NSE Report (February 02, 2026)**

The Centre's market borrowings are set to rise sharply in FY27, a move that could put pressure on the bond markets, according to a report by the National Stock Exchange (NSE) on the Union Budget 2026-27. The report said the Centre's gross market fresh borrowings have been pegged at Rs 17.2 lakh crore for FY27, marking a notable increase of 17.7 per cent on a year-on-year basis. This higher borrowing requirement is expected to add to the supply of government securities in the market and could weigh on bond prices. Overall, the report suggested that while the government is managing its debt profile through longer maturities, the sharp rise in gross and net market borrowings in FY27 is likely to remain a key factor influencing bond market dynamics in the coming year. (ANI)

For details: <https://economictimes.indiatimes.com/markets/bonds/market-borrowings-to-rise-in-fy27-higher-supply-likely-to-weigh-on-bond-markets-nse-report/articleshow/127851181.cms>

❖ **ESG Update**

MTR Corporation Limited

Advancing Sustainability through Green Bonds and ESG focused Investment Framework

In 2024, sustainable finance amounting to HK\$7.4 billion was arranged to fund projects for energy conservation, environmental protection, as well as the enhancement and expansion of low carbon railway services under the Company's Sustainable Finance Framework. In September 2024, it successfully launched public issuance of offshore Renminbi Green Bonds. This issuance comprised CNH 3 billion 10-year bonds and CNH 1.5 billion 30-year bond, marking a significant step in commitment to sustainability and further diversification of funding sources. To achieve environmental & social objectives ("E&SO") and associated KPIs, the Company have formulated an ESG Investment Framework that institutionalises environmental and social principles as a key consideration into the Corporation's investment decision making process. This ESG Fund is distinct from our annual operational and capital expenditure budget, which typically covers large-scale projects with environmental benefits, such as asset replacements or network enhancements.

For details: https://www.mtr.com.hk/sustainability/assets/pdf/en/2024/Sustainability_Report.pdf

❖ **Capital Market and Securities Law**

- **Master Circular for compliance with the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 by listed entities (January 30, 2026)**

In order to enable the users to have access to the provisions of the applicable circulars at one place, a Master Circular for compliance with the provisions of the LODR Regulations by listed entities was updated and issued on November 11, 2024 by consolidating all relevant circulars issued till September 30, 2024. SEBI has further updated this Master Circular dated November 11, 2024 to include all relevant circulars that were issued till December 30, 2025. With the issuance of this Master Circular, all directions/instructions contained in the Circulars listed out in the Appendix shall stand rescinded to the extent they relate to compliance with the provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations.

For details: <https://www.sebi.gov.in/legal/master-circulars/jan-2026/master-circular-for-compliance-with-the-provisions-of-the-securities-and-exchange-board-of-india-listing-obligations-and-disclosure-requirements-regulations-2015-by-listed-entities-99432.html>

- **Ease of Doing Investment – Special Window for Transfer and Dematerialisation of Physical Securities (January 30, 2026)**

In order to further facilitate the investors to get rightful access to their securities, SEBI has decided to open another special window for transfer and dematerialisation (“demat”) of physical securities which were sold/purchased prior to April 01, 2019. This special window shall be open for a period of one year from February 05, 2026 to February 04, 2027. The special window shall also be available for such transfer requests which were submitted earlier and were rejected/returned/not attended to due to deficiency in the documents/process/or otherwise. The securities so transferred shall be mandatorily credited to the transferee only in demat mode and shall be under lock-in for a period of one year from the date of registration of transfer. Such securities shall not be transferred/lien-marked/pledged during the said lock-in period.

For details: <https://www.sebi.gov.in/legal/circulars/jan-2026/ease-of-doing-investment-special-window-for-transfer-and-dematerialisation-of-physical-securities-99411.html>

- **Ease of Doing Investment and Ease of Doing Business – Doing away with requirement of issuance of Letter of Confirmation (“LOC”) and to effect direct credit of securities in dematerialisation account of the investor (January 30, 2026)**

In order to simplify the process for credit of securities pursuant to investor service requests by reducing the timelines, risk of loss and pilferage, SEBI has done away with the requirement of issuance of LOC. To implement this, the Depositories are required to develop a process/system to enable RTAs/listed companies to credit the securities directly to the demat account of the investor after necessary due-diligence by RTAs/listed companies. The provisions of this circular shall come into force with effect from April 02, 2026. Any LOC issued before April 02, 2026, may be submitted by the investors to DP for dematerialisation within the specified timeline i.e. 120 days from the date of issuance of LOC.

For details: <https://www.sebi.gov.in/legal/circulars/jan-2026/ease-of-doing-investment-and-ease-of-doing-business-doing-away-with-requirement-of-issuance-of-letter-of-confirmation-loc-and-to-effect-direct-credit-of-securities-in-dematerialisation-account-o-99421.html>

❖ **Pronouncement**

10th December, 2025	MSTC Limited Vs. Malay Sengupta and Ors.	In the High Court at Calcutta Civil Appellate Jurisdiction Appellate Side FMA 959 Of 2025 With Can 01 Of 2025 Arising Out Of WPA15908 Of 2019
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Brief facts:

The respondent No. 1, was a Presidential appointee to the Board of Directors of the appellant, was working as the Chairman and Managing Director (CMD) of the appellant/company. He has been issued with a memorandum of charge-sheet for initiation of major penalty proceedings. The Ministry, by letter directed the appellant/company to withhold gratuity of the respondent No. 1, pending completion of disciplinary proceeding. The respondent retired. After conclusion of the disciplinary proceeding an order was issued, imposing upon the respondent, a penalty for recovery of Rs. 10 lakhs, payable to him on account of gratuity, as per provision under Rule 23 (d) read with Rule 30A(ii) of the MSTC CDA Rules, for the loss caused to the company by the respondent due to his negligence in conduct and breach of order. A review application filed by the said respondent against that order which has been rejected by the Ministry.

The respondent writes to the company for payment of gratuity and also lodges his claim of gratuity before the competent statutory authority. The Controlling Authority also rejected the respondent's claim. In an appeal against the same, the Appellate Authority has reversed the order of the Controlling Authority and directed for payment of gratuity to the respondent with simple interest at the rate of 8 per cent.

Key issue:

The question remains if the provisions under the Payment of Gratuity Act, 1972 and those in MSTC CDA Rules are mutually exclusive or that in case of the respondent the MSTC CDA Rules, shall override provisions under the Act of 1972.

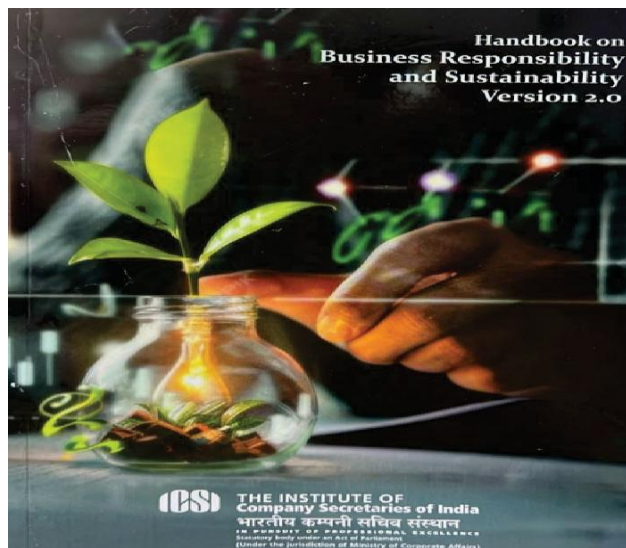
Judgement:

The Hon'ble Single Judge has relied on extensively to the Supreme Court verdict in *Jaswant Singh Gill* [*Jaswant Singh Gill v. Bharat Coking Coal Ltd.*, (2007) 1 SCC 663 : (2007) 1 SCC (L&S) 584] which stands as an overruled judgment after the *Mahanadi Coalfields Ltd. v. Rabindranath Choubey* reported at (2020) 18 SCC 1971.

It is further noted that, while dealing with the issue if the respondent No. 1, writ petitioner before it would be entitled for gratuity under the 1972 Act or not, the learned Single Judge has traversed to consider the propriety of the disciplinary proceeding against the respondent No. 1, which was however not an issue before the said Court in the said writ petition. As a matter of fact, it is now very well-settled that in a similar case, the Court is not to embark upon judging the legality and propriety of the disciplinary proceeding or the factual finding arrived at in the same by the disciplinary Authority.

For all the reasons as discussed above, the instant appeal No. FMA 959 of 2025 is allowed by setting aside the judgment of the Hon'ble Single Judge dated March 25, 2025 in WPA No. 15908 of 2019. The order of the appellate authority under the Payment of Gratuity Act dated April 30, 2019 is also set aside. This Court does not interfere into the order of the controlling authority dated February 20, 2018 and the same is upheld.

HANDBOOK ON BUSINESS RESPONSIBILITY AND SUSTAINABILITY VERSION 2.0



About the Book

The ICSI launched the “Handbook on Business Responsibility and Sustainability” to promote the integration of ESG practices in business and recognize corporate sustainability efforts. With BRSR reporting becoming mandatory for FY 2022-23, the Institute published this guide in 2023 for corporations and professionals.

Building on this initiative, the ICSI has released the second edition, ‘Handbook on Business Responsibility and Sustainability Version 2.0’, reflecting best practices from companies participating in the second edition of the Awards.

Year of Publication: 2024

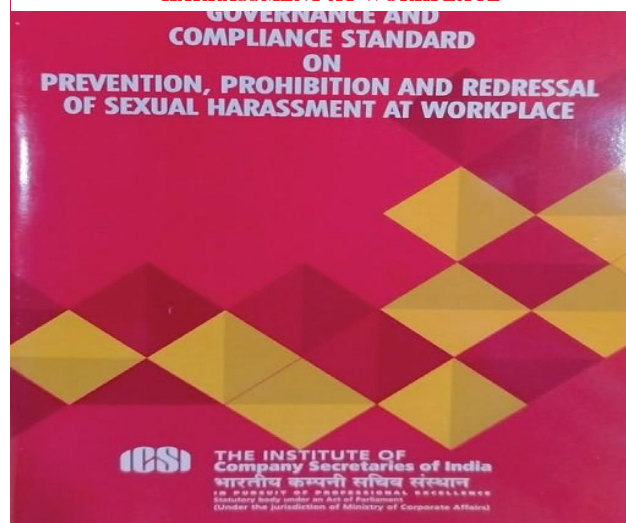
Price: Rs. 1000/-

For Subscription:

<https://smash.icsi.edu/Scripts/ECart/Default/ItemWiseECartSearchOnlineBooks.aspx?ItemId=345>



GOVERNANCE AND COMPLIANCE STANDARD ON PREVENTION, PROHIBITION AND REDRESSAL OF SEXUAL HARASSMENT AT WORKPLACE



About the Book

This Standard aims to enhance the implementation of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (“PoSH Act”), by harmonizing workplace practices.

It provides standardized procedures for Internal Committee meetings, complaint and inquiry processes, and training/ capacity building programs for employees/ Internal Committee members. The Standard also offers guidance on drafting gender-neutral PoSH policy, promoting inclusivity.

Year of Publication: 2024

Price: Rs 90/-

For Subscription:

<https://smash.icsi.edu/Scripts/ECart/Default/ItemWiseECartSearchOnlineBooks.aspx?ItemId=346>



Market Watch

Stock Market Indices as on 02.02.2026

S & P BSE Sensex	81666.46 (+1.17%)
Nifty 50	25088.40 (+1.06%)

Foreign Exchange Rates as on 02.02.2026

(<https://m.rbi.org.in/scripts/ReferenceRateArchive.aspx>)

INR / 1 USD	INR / 1 EUR	INR / 1 GBP	INR/ 1 JPY
91.64	108.56	125.24	.59

Prepared by Directorate of Academics

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

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