भारतीय कम्पनी सचिव संस्थान
THE INSTITUTE OF
Company Secretaries of India
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, pursue righteousness

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

*Monday, July 06, 2026*

# Info Capsule

*President*
**CS Pawan G Chandak**

*Vice President*
**CS Dwarakanath C**

## ❖ *Ministry of Labour and Employment*

### Govt sets 8.33% employer contribution to pension fund under EPS 2026 (July 01, 2026)

In exercise of the powers conferred by sub-clause (i) and sub-clause (ii) of clause (b) of sub-section (1) of section 16 of the Code on Social Security, 2020 the Central Government hereby notifies eight and one-third per cent of the wages for the time being payable in relation to his employees as the rate of contribution which shall be payable every month by the employer to the Pension Fund, established under the Code with effect from the commencement of Employees' Pension Scheme, 2026 i.e. 29th June, 2026.

***For details:***

*https://egazette.gov.in/(S(hndt5qqv0vjqm45vy1br03f4))/RecentUploads.aspx?Category=6*

## ❖ *Capital Market and Securities Laws*

### Handling of Client's Unpaid Securities by Trading Members (July 03, 2026)

In order to enhance the ease of doing business for stockbrokers and ease of doing investment for clients, SEBI has amended Paragraph 46 of the Master Circular for Stock Brokers dated June 17, 2025 specifying provisions with respect to Handling of Client's Securities by Trading Members (TM)/ Clearing Members (CM). It is provided that, for trades not covered under margin trading facility (MTF), the pay-out of unpaid securities (i.e., the securities that have not been paid for in full by the clients) shall be directly made to the client's demat account followed by creation of an auto-pledge (i.e., without any specific instruction from the client) with the reason "unpaid", in favor of a separate account titled –"client unpaid securities pledgee account (CUSPA)", which shall be opened by TM. Further, TM must formulate and maintain a policy, either on standalone basis or as part of its Risk Management Policy, for handling unpaid securities in terms of this circular and any circulars/ operational guidelines issued by exchanges in this regard and communicate the same to all clients prior to implementation.

***For details:***
*https://www.sebi.gov.in/legal/circulars/jul-2026/handling-of-client-s-unpaid-securities-by-trading-members_102584.html*

## ❖ *Business & Economy*

- **India to host BRICS Women Working Group Meeting under BRICS Chairship in Kochi (July 06,2026)**

India will host the two-day BRICS Women Working Group Meeting under its BRICS Chairship, starting July 06, 2026 in Kochi, Keralam. The Ministry of Women and Child Development said that senior government officials from BRICS Member Countries will come together to deliberate on key issues relating to women's empowerment across all sectors and women-led development while advancing cooperation across shared priorities. The Women Working Group Meeting will provide an opportunity for Member Countries to deliberate and build consensus that advances women-led development.
The Ministry said that the meeting will lay a strong foundation for the BRICS Women Ministerial Meeting to be held on 8th and 9th of July 2026.

***For details:***
*https://newsonair.gov.in/india-to-brics-women-working-group-meeting-under-brics-chairship-in-kochi/*

- **India-Israel Bilateral Investment Agreement comes into force from July 4 (July 04, 2026)**

The Bilateral Investment Agreement (BIA) between India and Israel came into force on Saturday, marking a significant step towards strengthening bilateral economic ties and promoting a secure and predictable investment environment between the two countries. The agreement was signed on September 8, 2025, in New Delhi by the Government of the Republic of India and the Government of the State of Israel. According to the Ministry of Finance, the BIA has come into effect from July 4, 2026. In a statement, the ministry described the agreement as a landmark initiative aimed at enhancing bilateral economic relations while providing robust protection to investments and investors. At the same time, it retains sufficient flexibility to preserve the sovereign policy space of both countries in line with legitimate public policy objectives, reflecting modern principles and the evolving jurisprudence of international investment law. The ministry said the agreement is expected to boost cross-border investment flows and further deepen the economic partnership between India and Israel.

***For details:***
*https://ddnews.gov.in/en/india-israel-bilateral-investment-agreement-comes-into-force-expected-to-boost-cross-border-investment-flows/*

## ❖ *ESG Update*

### Piramal Pharma Limited

- PPL is working to strengthen its quality, moving from a focus on ‘Quality for Compliance’ to building ‘Quality as a Culture.’ This shift covers a broad approach across systems, processes, technology, and people. PPL is working to strengthen its quality, moving from a focus on ‘Quality for Compliance’ to building ‘Quality as a Culture.’ This shift covers a broad approach across systems, processes, technology, and people.
- The manufacturing facilities are equipped with strong disaster preparedness plans, covering response protocols, rescue measures, and recovery processes.
- PPL is committed to reducing GHG emissions with science-based targets. The Company has developed a clear decarbonisation strategy.
- PPL has a company-level EHS policy and EHS management programmes. These act as guiding principles to identify and reduce potential hazards, helping provide a safe working environment for employees, workers, and visitors
- PPL is procuring and using energy in an efficient, costeffective, and environmentally responsible manner. This includes the use of sustainably sourced bio-briquettes and sourcing of renewable energy. The Company has also identified potential energy-saving projects and initiatives based on scientific energy audits.
- The Company focuses on continuous learning to support professional growth. It has strong talent management systems that develop its people through learning and career development initiatives, mentoring pathways, and employee engagement activities.

***For details:***

*https://nsearchives.nseindia.com/corporate/BRSR_543635_03072026165645.pdf*

## ❖ Pronouncement

| | | |
|---|---|---|
| **July 02, 2026** | **Pooja Ramesh Singh {Appellant(s)} Versus Jammu And Kashmir Bank Ltd. & Anr {Respondent(s)}** | **Supreme Court of India Civil Appeal No. 11950 of 2025 2026 INSC 668** |

***Decisions Based on Citing AI-Generated Fake Precedents are Unsustainable and it amounts to Subversion of the Rule of Law***

**Brief Facts**

This is a case where the Tribunal relied on non-existent, fake and hallucinated material, generated through Artificial Intelligence1 (AI), as if it were a precedent in support of its judgment and the said judgement affirmed by Appellate Tribunal. Aggrieved by the said decision, the Appellant has preferred the present appeal to the Supreme Court. Learned senior counsel appearing for the Appellant, at the outset, pointed out that the citations/judgments relied upon by the NCLT to arrive at the impugned findings, as referred by the Appellate Tribunal in paragraph 12 of its opinion, are fake and non-existent, probably AI-generated. It is pointed out that even where case citations are accurate, the excerpted paragraphs from the judgment(s) are not traceable to those judgments in law reports.

**Judgement**

Hon'ble Apex Court inter alia observed that dependency on technology has never been a problem for the dispensation of justice, as our courts have seamlessly absorbed technologies and made them an integral part of court systems. The story of AI, as it is unfolding, is, however, different, in fact, transformative, as it is not just an aid to assist us in our work, but is an alternative to our own thinking, reasoning and even decision making. This is where we need to be extra cautious, as unregulated use of AI will insidiously enter legal practice, the process of judicial decision-making and decision-making itself.

Supreme Court called for a zero-tolerance mode for producing, citing or using AI-generated precedents without verification. It is a misconduct on the part of an advocate to cite such judgments without verification. Equally, it is a serious lapse if a judge relies on such a fake or hallucinated AI-generated material as precedents in support of the determination. We have no hesitation in declaring that such a decision is no decision in the eyes of the law, irrespective of whether such material had a direct or indirect bearing on the decision-making. Such decisions are to be set aside even if an iota of fake or hallucinated material enters the decision-making process, as it would violate the sanctity of adjudication. It is absolutely necessary to maintain integrity in decision-making, and we reiterate and declare zero tolerance for the Bar as well as the Bench to cite, refer to, or rely on such material. It is also clarified that our judgment shall have no bearing on the rightful use of AI, but on the presentation or reliance on fake or hallucinated material as if it were a court precedent.

Court said that Judicial process and the judgment under challenge are tainted by the usage of materials which are said to be precedents, but in reality, they are unreal, fake, and do not exist at all. A decision of a Court or an adjudicating authority based on material which is fake and hallucinated is no decision at all, and it amounts to subversion of the rule of law. Such a decision is unsustainable and has to be set aside at the earliest.

The judgment and orders passed by the NCLT and NCLAT are set aside by the Supreme Court & the Section 7 application, is restored to its original number. Supreme Court held that the NCLT shall proceed with the said application and pass orders in accordance with law. We make it clear that we have not expressed any opinion on the merits of the case. It is for the adjudicating authority to consider the facts and circumstances of the case to decide the case on its own merits.

***For details:***

*https://www.sci.gov.in/view-pdf/?diary_no=523382025&type=j&order_date=2026-07-02&from=latest_judgements_order*

## ❖ *The Ministry of Skill Development and Entrepreneurship*

**Registration date extended for Navachar Mantra to give opportunity to more aspiring entrepreneurs (July 5, 2026)**

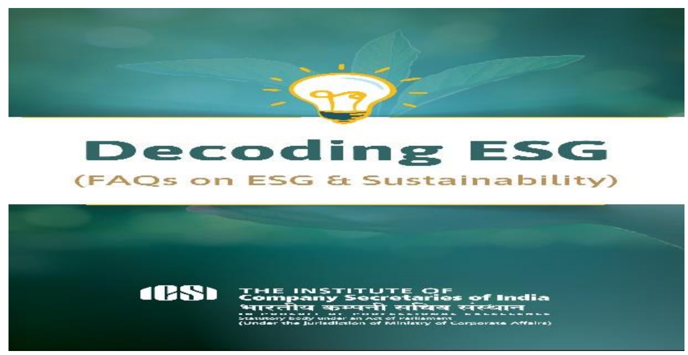
The Ministry of Skill Development and Entrepreneurship (MSDE) has extended the registration deadline for Navachar Mantra, its flagship national innovation platform, till the 15th of this month, providing more aspiring entrepreneurs the opportunity to transform promising ideas into successful ventures. The Ministry said the decision came following the overwhelming interest from innovators across the country. The initiative seeks to identify, nurture and accelerate high-potential entrepreneurial ideas through structured mentorship, expert guidance, industry connections and market access.

**For details:**

*https://newsonair.gov.in/registration-date-extended-for-navachar-mantra-to-give-opportunity-to-more-aspiring-entrepreneurs/*


MSME READY RECKONER-2.0-DECEMBER 2025

Year of Publication: 2025
Price: Rs. 400/-
Weblink for Purchase:
*https://smash.icsi.edu/Scripts/ECart/Default/ItemWiseECartSearchOnlineBooks.aspx?ItemId=400*




DECODING ESG (FAQs ON ESG & SUSTAINABILITY) - JULY 2025

Year of Publication: 2025
Price: Rs. 120/-
Weblink for Purchase:
*https://smash.icsi.edu/Scripts/ECart/Default/ItemWiseECartSearchOnlineBooks.aspx?ItemId=389*

## *Market Watch*

| Stock Market Indices as on 06.07.2026 | |
|---|---|
| S & P BSE Sensex | 78285.07 (+0.67%) |
| Nifty 50 | 24430.35 (+0.66%) |

**Foreign Exchange Rates as on 06.07.2026**
(*https://m.rbi.org.in//scripts/ReferenceRateArchive.aspx* )

| INR / 1 USD | INR / 1 EUR | INR / 1 GBP | INR/ 1 JPY |
|---|---|---|---|
| 95.43 | 109.01 | 127.26 | .58 |

***Prepared by Directorate of Academics & Research***

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