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"

Info Capsule

Thursday, May 08, 2025

President
CS Dhananjay Shukla
Vice President
CS Pawan G Chandak

❖ *Reserve Bank of India*

Policy Statement: Framework for Formulation of Regulations (May 07, 2025)

The Reserve Bank has issued Framework for Formulation of Regulations which outlines the broad principles for formulation of Regulations issued in exercise of the powers conferred on the Reserve Bank of India by or under the provisions of various Acts and Rules. It covers aspects regarding stakeholder consultation, impact analysis and review of Regulations. The Framework reinforces and demonstrates the Reserve Bank's commitment to enhanced transparency and consultative approach for issuance of Regulations.

For Details: *https://www.rbi.org.in/Scripts/BS_PressReleaseDisplay.aspx?prid=60392*

❖ *Capital Market and Securities Laws*

- **NSE receives in-principle approval from Sebi for electricity derivatives (May 07, 2025)**

The National Stock Exchange (NSE) has received in-principle approval from the Securities and Exchange Board of India (SEBI) to launch electricity derivatives. However, the plan remains at a nascent stage, with the structure of the contracts yet to be finalised. NSE added that Indian regulators favour introducing shorter tenures—such as half-yearly or monthly contracts—while in several other countries, yearly contracts are common. The details remain under discussion with the regulators.

For details: *https://www.business-standard.com/markets/news/nse-gets-sebi-nod-to-launch-electricity-derivatives-at-nascent-stage-125050701634_1.html*

- **SEBI revises REITs, InvITs disclosure norms for offer documents (May 07, 2025)**

SEBI revised the disclosure requirements for Real Estate Investment Trusts and Infrastructure Investment Trusts, revising norms related to financial information in offer documents and post-listing disclosures. Under the new rules, REITs and InvITs issuing offer documents or follow-on offers must disclose audited financial statements for the last three financial years and a stub period, if applicable, Sebi said in two separate circulars. For initial offers, audited combined financial statements of the REIT and InvIT shall be disclosed in the offer document / placement memorandum. SEBI also specified additional disclosures, which will be included as a part of the audited financial information and shall also be subjected to audit. These include project-wise operating cash flows, contingent liabilities and commitments as of the date of the latest financials.

For details: *https://www.business-standard.com/markets/news/sebi-revises-reits-invits-disclosure-norms-for-offer-documents-125050701800_1.html*

❖ *ESG UPDATE*

Far Eastern New Century Corp. (Taiwan)

- The Company received the First Prize at 19th Annual ESG Award in Manufacturing Industry and First Prize in Low-Carbon Operation and is the Only Double First Prize Winner in Taiwan.
- The Company has been awarded with Taiwan Corporate Sustainability Awards (TCSA) (Top 10 Taiwanese Companies Sustainability Model Award).
- As per Sustainalytics ESG Risk Ratings the Company falls within the Top 3% of the Chemicals Industry.
- The Company established the first closed-loop textile recycling system in Taiwan.
- The Company is recycling and processing over 50% of waste PET bottles in Taiwan.
- To accelerate the pace of decarbonization within the Company and complete the net-zero transition, the Company incorporated the internal carbon pricing system in 2023 as a management tool.
- FENC adopted the eNotice Platform in 2023 for sending electronic notifications of dividend distribution to shareholders. The electronic operation significantly reduced carbon emissions and shipping costs derived from the paper options. During the reporting year, the dividend distribution notifications from the eNotice Platform were accessed 2,324 times.

For details: *https://csr.fenc.com/upload/csr/csr_20240808008.pdf*

❖ *View/ Comment Sought by Regulators*

Department of Economic Affairs, Ministry of Finance, invites suggestions from experts/public on Draft Framework of 'India's Climate Finance Taxonomy' by 25th June 2025 (May 7, 2025)

In pursuance of the **Union Budget 2024-25 announcement (Paragraph 104 of the budget speech) to develop India's Climate Finance Taxonomy,** the Department of Economic Affairs, Ministry of Finance, invites expert/public comments on the Draft framework. (CLICK HERE TO ACCESS- *https://static.pib.gov.in/WriteReadData/specificdocs/documents/2025/may/doc202557551101.pdf*).
This framework outlines the approach, objectives, and principles that will guide the taxonomy. It also details the methodology for classifying activities, projects, and measures that contribute to India's climate commitments, while also taking into account goals associated with achieving *Viksit Bharat* by 2047.

For Details: *https://pib.gov.in/PressReleasePage.aspx?PRID=2127562*

❖ *Competition Commission of India*

The Competition Commission of India (Determination of Cost of Production) Regulations, 2025 (May 06, 2025)

The CCI has notified the Competition Commission of India (Determination of Cost of Production) Regulations, 2025 repealing the Cost Regulations 2009 vide repeal and saving clause introduced in the Cost Regulations 2025.
According to the notification the following concepts are being clarified:

- The definition of 'total cost' under Regulation 2(1)(c) has been revised to explicitly include depreciation and to exclude financing overheads, thereby ensuring a more appropriate and consistent measurement of the cost of production. In addition, editorial refinements have been made to the definitions of 'total variable cost' and 'average avoidable cost' to improve clarity, precision, and ease of interpretation in the application of these cost benchmarks.
- The definition of 'long run average cost', has been revised and clarified in line with international best practices.
- Regulation 4 has been amended to state explicitly that experts appointed under this provision are intended solely to assist the Commission in arriving at the cost determination. Additionally, Regulation 4 has been revised to clarify that only a party to the proceedings may dispute the cost determined by the Commission under Regulation 3.

For details: *https://www.cci.gov.in/images/whatsnew/en/general-statement1746633770.pdf*

❖ Pronouncement

May 7, 2025	Tata Steel Ltd {Appellant(s)} VERSUS Raj Kumar Banerjee & Ors{Respondent(s)}	Supreme Court of India Civil Appeal No. 408 of 2023 2025 INSC 639

NCLAT has no power to Condone Delays in filing appeals beyond the Prescribed Limit of 45 (30+15) days under Section 61(2) of the IBC

Brief Facts

The Appellant is the successful resolution applicant for Rohit Ferro-Tech Limited (Corporate Debtor) having its resolution plan approved by the Committee of Creditors and subsequently by the NCLT. Respondent No.1 is an erstwhile minority shareholder of the Corporate Debtor. Respondent No.1 preferred an appeal to NCLAT under Section 61 of the IBC to set aside the order passed by the Adjudicating Authority and direct the Resolution Professional to scrutinise the resolution plan proposed by the Appellant in accordance with Section 30(2) of IBC. Along with the appeal, he also filed an interlocutory application praying for condonation of delay of 15 days in filing the same. By the order NCLAT condoned the delay and allowed the said application. Aggrieved by the same, the Appellant appeal before Supreme Court.

The Provisions of Section 61(2) of IBC is reproduced below:

"Section 61 – Appeals and Appellate Authority

(1) ………..

(2) Every appeal under sub-section (1) shall be filed within thirty days before the National Company Law Appellate Tribunal: Provided that the National Company Law Appellate Tribunal may allow an appeal to be filed after the expiry of the said period of thirty days if it is satisfied that there was sufficient cause for not filing the appeal but such period shall not exceed fifteen days.

(3) ……………..”

Judgement

Hon'ble Apex Court observed that IBC prescribes strict timelines for filing appeals and taking legal action so as to ensure that insolvency proceedings are not misused to recover time-barred debts. The proviso to Section 61(2) clearly limits the NCLAT's jurisdiction to condone delay only up to 15 days beyond the initial 30-day period. Where a statute expressly limits the period within which delay may be condoned, an Appellate Tribunal cannot exceed that limit. In other words, the NCLAT being a creature of statute, operates strictly within the powers conferred upon it. Unlike a civil suit, it lacks inherent jurisdiction to extend time on equitable grounds.

Once the prescribed and condonable periods (i.e., 30 + 15 days) expire, the NCLAT has no jurisdiction to entertain appeals, regardless of the reason for the delay. In *Mobilox Innovations Private Limited v. Kirusa Software Private Limited (2018) 1 SCC 353,* while interpreting Section 9 IBC, this Court underscores the IBC's strict procedural discipline i.e., only applications strictly conforming to statutory requirements can be entertained. This principle is also applicable to limitation issues under section 61(2), as it supports the idea that tribunals must operate within the bounds of the Code, without adding equitable or discretionary powers not conferred by statute. This Court *in Kalpraj Dharamshi v. Kotak Investment Advisors Limited & Another,* (2021) 10 SCC 401 has categorically held that the NCLAT cannot condone any delay beyond 15 days even on equitable grounds; and that the appellate mechanism under IBC is strictly time-bound by design to preserve the speed and certainty of the insolvency resolution process.

Supreme Court held that the NCLAT has no power to condone delay beyond the period stipulated under the statute. In view of the foregoing, the order passed by the NCLAT condoning the delay in filing the appeal, is ultra vires and liable to be set aside.

For Details: *https://www.sci.gov.in/view-pdf/?diary_no=24442023&type=j&order_date=2025-05-*

❖ *Market Watch*

Stock Market Indices as on 08.05.2025	
S & P BSE Sensex	80334.81(-0.51%)
Nifty 50	24273.80(-0.58%)

Foreign Exchange Rates as on 08.05.2025 *(https://m.rbi.org.in//scripts/ReferenceRateArchive.aspx)*			
INR / 1 USD	**INR / 1 EUR**	**INR / 1 GBP**	**INR/ 1 JPY**
84.86	95.75	112.75	.58

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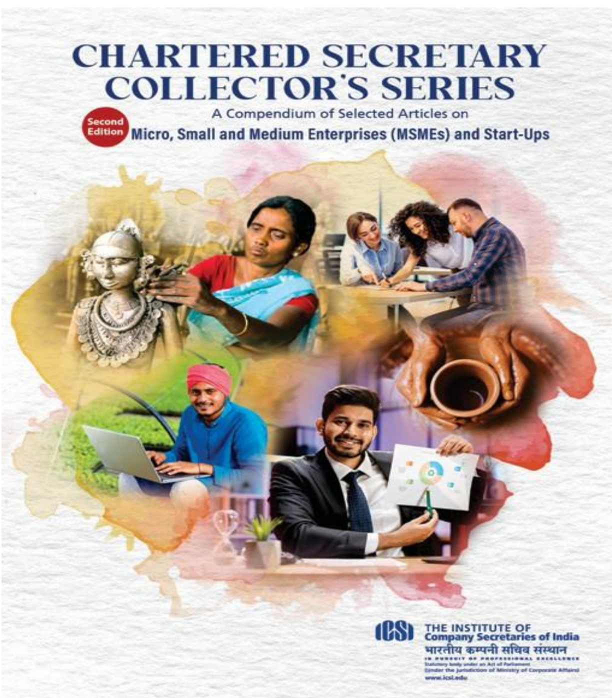

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