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, June 27, 2025

Info Capsule

President
CS Dhananjay Shukla
Vice President
CS Pawan G Chandak

❖ *International Financial Services Centre Authority*

IFSCA Authority Meeting (June 24, 2025)

The 24th meeting of the IFSCA Authority (Authority) was held on June 24, 2025. The Authority, inter alia, approved the following:

1. *Framework for Transition Bonds- to enable the issuers, specifically from hard-to-abate sectors, to raise capital and list their securities at GIFT IFSC, while committing to a credible transition plan and making enhanced disclosures to ensure the interests of the investors are protected.*
2. *Third-Party Fund Management Services - to attract international fund managers and further deepen the fund management ecosystem within GIFT IFSC.*
3. *IFSCA (TechFin and Ancillary Services) Regulations, 2025- to promote innovation, operational efficiency, and regulatory clarity for entities that support the delivery of financial services in GIFT-IFSC and beyond.*
4. *IFSCA (Regulation making Regulations and Subsidiary instructions) Regulations, 2025 - to further strengthen principles of transparency, stakeholder participation, and regulatory clarity.*
5. *IFSCA's induction as the Governing Member of International Organisation of Pension Supervisors (IOPS).*

For details:
https://ifsca.gov.in/Legal/Index?MId=nMTs9Q2JJYU=

❖ *Ministry of Corporate Affairs*

Govt to relax rules for finance companies in GIFT City (26 June, 2025)

Govt plans to ease inter-corporate borrowing norms for finance firms in GIFT City by extending NBFC-like exemptions under Section 186 of Companies Act. MCA has proposed amending board rules, inviting public comments by July 17. Move aims to boost financial activity in GIFT IFSC. The government may extend the special dispensation available for RBI-registered non-banking finance companies (NBFCs) to finance companies registered with International Financial Services Centres Authority (IFSCA). Firms at the GIFT city in Gujarat will be among the key beneficiaries of the move. Inter-corporate borrowings by GIFT City firms may become easier. As per the Companies Act and Rule 11(2) of the Companies (Meetings of Board and its Powers) Rules, 2014, the NBFCs registered with the RBI and engaged in the business of giving loans or providing guarantee for due repayment of loan are exempt from the requirements of section 186 (except sub-section 1) of the Act. The Section 186 of the Companies Act, 2013 governs loans, guarantees, and investments made by companies. It sets the limit for inter-corporate borrowing and lending.

For details: *https://www.financialexpress.com/business/banking-finance-govt-to-relax-rules-for-finance-companies-in-gift-city-3894229/?ref=business_hp*
https://www.mca.gov.in/bin/dms/getdocument?mds=59LhEfk%252FvRv8DioW%252Fo4yVA%253D%253D&type=open

❖ *Capital Market and Securities Laws*

- **Industry Standards on "Minimum information to be provided to the Audit Committee and Shareholders for approval of Related Party Transactions" (June 26, 2025)**

Industry Standards Forum ("ISF") comprising of representatives from three industry associations, viz. ASSOCHAM, CII and FICCI, under the aegis of the Stock Exchanges, in consultation with SEBI, formulated the Industry Standards on "Minimum information to be provided for review of the audit committee and shareholders for approval of a related party transaction". The objective of these Industry Standards is to provide a standard format for minimum information to be provided to the Audit Committee and Shareholders (as applicable) for approval of RPTs. This circular shall come into effect from September 01, 2025. The listed entities, from the effective date of this Circular, shall follow the aforesaid RPT Industry Standards to ensure compliance with Part A and Part B of Section III-B of the Master Circular read with Regulation 23(2), (3) and (4) of LODR Regulations.

For details: *https://www.sebi.gov.in/legal/circulars/jun-2025/industry-standards-on-minimum-information-to-be-provided-to-the-audit-committee-and-shareholders-for-approval-of-related-party-transactions-_94809.html*

- **SEBI extends rebalancing timeline rule to all passive MF breaches (June 26, 2025)**

Market regulator SEBI said that timelines for portfolio rebalancing in mutual fund schemes will now be applicable to all types of passive breaches across actively managed schemes, which was earlier limited to only asset allocation. A passive breach refers to unintended deviations from the mandated asset allocation or regulatory limits that do not arise from the direct actions or omissions of asset management companies (AMCs). Passive breaches generally do not happen due to the omission and commission of Asset Management Companies (AMCs). The mandated rebalancing period for all mutual fund schemes, except Index Funds and Exchange Traded Funds (ETFs), is 30 business days.

For details: *https://economictimes.indiatimes.com/mf/mf-news/sebi-extends-rebalancing-timeline-rule-to-all-passive-mf-breaches/articleshow/122094792.cms?from=mdr*

❖ *ESG update*

M Group Services Ltd.

- The Company invested in Director of ESG and Innovation to lead its development in ESG-related fields in order to ensure Board-level role in their agenda.
- M Group Services Plant & Fleet Solutions continues to work to decarbonise the fleet. In 2024 a new company car scheme was introduced to help lower emissions coming from the car fleet.
- The Company introduced a new telematics dashboard that has been showing average Idle times, average MPGs, carbon emissions and utilisation by business/division to help target emission reduction.
- Battery tools are being introduced on the plant side of the business and oil recycling occurs at its National Distribution centre in Nottingham using the 'Triple R' system which helps to dramatically reduce waste oil that is been produced, reducing waste oil output by more than 50%
- 11% of new hires are non-white. The Company is committed to improve diversity to reflect the communities they work in.

For details: *https://mgroupltd.com/esg/reporting/*

❖ *Ministry of Ports, Shipping and Waterways*

Union Minister Sarbananda Sonowal Launched Key Tech Initiatives to Boost Efficiency & Productivity in Major Maritime Digital Push (June 26, 2025)

The Union Minister of Ports, Shipping & Waterways (MoPSW), Shri Sarbananda Sonowal launched multiple tech initiatives to boost efficiency and productivity in a major maritime digital push. The launch of *SAGAR SETU* platform as well as MoPSW's MoU with the Centre for Development of Advanced Computing (CDAC) to develop & establish *Digital Centre of Excellence (DCoE)* are set to make significant strides in digital transformation as well as sustainable infrastructure development.

Digital Centre of Excellence (D-COE)

MoPSW and C-DAC signed an MoU to establish a Digital Centre of Excellence (DCoE) for the maritime sector. This landmark initiative, announced in New Delhi on 26th June 2025, aims to accelerate digital transformation in India's maritime industry. The DCoE will provide advanced IT solutions, foster innovation, and guide the modernisation of port operations and shipping logistics through emerging technologies like AI, IoT, and Blockchain. Supporting national maritime objectives, the Centre will also prioritise green and sustainable operations, aligning with Maritime India Vision 2030 and Amrit Kaal Vision 2047.

For details: *https://www.pib.gov.in/PressReleasePage.aspx?PRID=2139903*

❖ Pronouncement

June 09, 2025	Amlesh Kumar {Appellant(s)} Versus The State of Bihar {Respondent(s)}	Supreme Court of India Criminal Appeal No. __ __ OF 2025 (Arising out of SLP(Crl.) No.5392 of 2024)

Involuntary Administration of Narco-Analysis and similar tests is in contravention of the protection given by Article 20(3) of the Constitution

Brief Facts

Sub-Divisional Police Officer submitted before the High Court that she would conduct narco-analysis test of all the accused persons (including the Appellant herein) and other witnesses, during the investigation and such submission was accepted by the High Court. Aggrieved thereof, the Appellant is appeal before Supreme Court and submitted that the acceptance of such a submission by the High Court is in direct contravention of the exposition of law laid down by Supreme Court in *Selvi and Ors. v. State of Karnataka 1(2010) 7 SCC 263*, wherein it was observed that forceful subjection of an individual to techniques, such as the narco-analysis test, violates personal liberty enshrined under Article 21 of the Constitution of India.

Judgement

Hon'ble Apex Court inter alia observed that a narco-analysis test is an interrogation method whereby a suspect of a crime is injected with a psychoactive drug under controlled conditions to suppress their reasoning power or the ability to determine what is good/bad for themselves *(B R Sharma, Forensic Science in Criminal Investigation & Trials, Sixth Edition, 2020 – Paragraph 32.1.1).* However, conducting such tests on persons accused of committing a crime raises serious questions, vis-à-vis, the constitutional protection granted from compulsion to become a witness against oneself under Article 20(3). The constitutional validity of this test, along with similar tests like the polygraph test, came to be challenged before this Court in *Selvi (supra)*. After an elaborate discussion, this Court (three-Judge Bench) held involuntary administration of this test to be hit by Articles 20(3) and 21 of the Constitution. The following principles came to be expounded:
8.1. Articles 20 and 21 of the Constitution are non-derogable and sacrosanct rights to which the judiciary cannot carve out exceptions;
8.2. Involuntary administration of narco-analysis and similar tests is in contravention of the protection given by Article 20(3) of the Constitution, i.e., the right against self-incrimination;
8.3. The results of such involuntary tests cannot be considered as 'material evidence' in the eyes of the law;
8.4. Conducting such tests in the absence of consent violates 'substantive due process' – which is an essential element required for restraining one's personal liberty. Permitting such tests may lead to a disproportionate exercise of police powers;
8.5. The boundaries of privacy of a person are also breached when these tests are conducted without consent; and
8.6. For voluntary tests, it must be ensured that appropriate safeguards are in place. Moreover, the results of the same cannot be admitted directly as evidence. Pertinently, any fact or information that is discovered subsequent thereto, with the help of the information supplied in the result, can be admitted into evidence with the aid of Section 27 of the Indian Evidence Act 1872.
Supreme Court said that the accused has a right to voluntarily undergo a narco analysis test at an appropriate stage. We deem it appropriate to add, that the appropriate stage for such a test to be conducted is when the accused is exercising his right to lead evidence in a trial. However, there is no indefeasible right with the accused to undergo a narco analysis test, for upon receipt of such an application the concerned Court, must consider the totality of circumstances surrounding the matter, such as free consent, appropriate safeguards etc., authorizing a person to undergo a voluntary narco-analysis test……………… .
Adverting to the facts at hand, we cannot find a reason in the High Court accepting a submission by the Investigating Officer, stating that they will conduct a narco-analysis test of all the accused persons. Such a submission and its acceptance, is in direct contravention to the judgment of this Court in *Selvi (supra)*, being hit by the protections under Articles 20(3) and 21 of the Constitution, held by the Supreme Court.

Apex Court set aside the order of the High Court

For Details: *https://www.sci.gov.in/view-pdf/?diary_no=97012024&type=j&order_date=2025-06-09&from=latest_judgements_order*

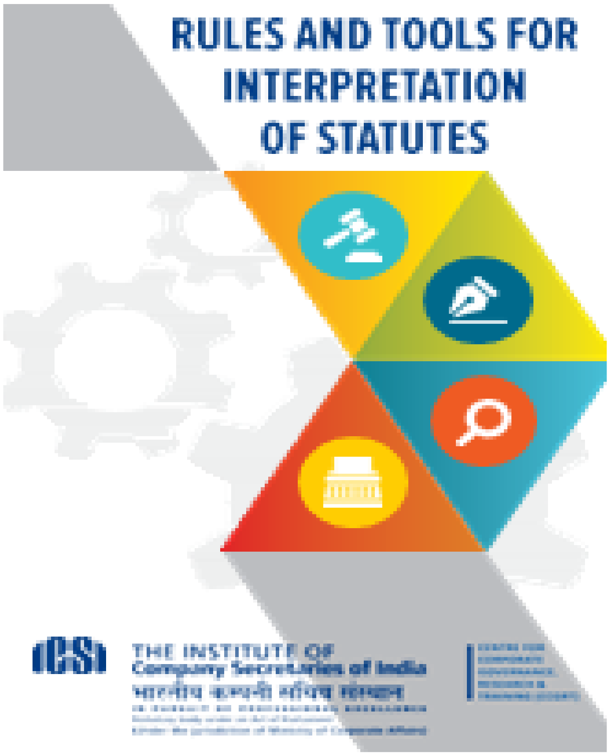
❖ Market Watch

Stock Market Indices as on 27.06.2025	
S & P BSE Sensex	84043.06(+0.34%)
Nifty 50	25631.05(+0.32%)

Foreign Exchange Rates as on 27.06.2025
(https://m.rbi.org.in//scripts/ReferenceRateArchive.aspx)

INR / 1 USD	INR / 1 EUR	INR / 1 GBP	INR/ 1 JPY
85.55	100.19	117.55	.59

RULES AND TOOLS FOR INTERPRETATION OF STATUTES



About the Book

This publication is dedicated for support and use by professionals and it is aimed at developing legal interpretation skills among the professionals.

Year of Publication: 2021
Price: Rs. 750 /- (Excluding Postage)

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APPROACH TO PROJECT FINANCE AND UNDERSTANDING FINANCIAL STATEMENTS

About the Book

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Year of Publication: 2021
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