

Inform

Year in Review: Legal Milestones That Shaped 2025

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Top Legal Developments

1. A New Era in Indian Labour Law

On November 21, 2025, India formally entered a new phase of labour governance. Through four separate Gazette notifications issued by the Ministry of Labour and Employment, the Government of India brought into force the Code on Wages, 2019, the Code on Social Security, 2020, the Industrial Relations Code, 2020, and the Occupational Safety, Health and Working Conditions Code, 2020. With this, a sweeping reform of the labour law landscape, consolidating 29 older central labour statutes, became legally effective.

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2. India's New Online Gaming Law: Play or Pause?

The enactment of the Promotion and Regulation of Online Gaming Act, 2025, caused ripples across the Indian online gaming industry, which relies heavily on real-money games. Offering, aiding, abetting, inducing, or otherwise indulging or engaging in the offering of online money games or online money gaming services is prohibited under Section 5 of this Act.

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3. Scope of Fast-Track Merger Expanded

The Companies (Compromises, Arrangements, and Amalgamations) Amendment Rules, 2025, notified by the Ministry of Corporate Affairs (MCA), amended Rule 25 to further expand the scope of fast-track mergers under Section 233 of the Companies Act, 2013, in line with the budget announcement.

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4. DPDP Framework: From Paper to Practice in Phases

Enacted on August 11, 2023, the Digital Personal Data Protection Act, 2023, establishes a comprehensive framework for safeguarding digital personal data, outlining the obligations of Data Fiduciaries and the rights and duties of Data Principals. On November 13, 2025, the

Ministry of Electronics and Information Technology (MeitY) issued a series of notifications specifying a staggered implementation timeline (across three phases) for both the Act and the Rules notified thereunder. MeitY also announced the establishment of the four-member Data Protection Board of India. This phased compliance schedule provides organisations with sufficient time for a smooth transition.

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5. Takedown Notices Under IT Rules: New Amendment Ensured Senior-Level Authorisation, Reasoned Intimations, and Periodic Review

The IT (Intermediary Guidelines and Digital Media Ethics Code) Amendment Rules, 2025, tightened the takedown framework by limiting “actual knowledge” to court orders or reasoned notices from senior government officers, with strict content-specific requirements. All such takedown directions must be reviewed monthly for necessity and proportionality, aiming to curb arbitrary removals.

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6. MCA Notified Revised Small Company Thresholds

On December 1, 2025, MCA revised the definition of small companies by increasing the thresholds for paid-up capital and turnover. The change was introduced through an amendment to Rule 2(1)(t) of the Companies (Specification of definition details) Rules, 2014, and came into force with effect from December 1, 2025. The revised definition significantly reduced compliance requirements, with more companies falling within the small company category.

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7. Phased Rollout of the New Sports Governance Framework

In a landmark move, India enacted the National Sports Governance Act, 2025, to streamline governance, promote fair play, and elevate India's sporting ambitions. The Act, *inter alia*, provides for the establishment of a National Sports Board; the notification of a National Sports Election Panel; and the constitution of a dedicated Tribunal to adjudicate sports-related disputes. Select provisions of the Act came into force with effect from January 1, 2026.

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8. Constitution (130th Amendment) Bill, 2025: Key Provisions

In a move drawing sharp criticism from the opposition, the Constitution (One Hundred and Thirtieth Amendment) Bill, 2025, was introduced in the Lok Sabha on August 20, 2025. According to the government, the Bill reflected its commitment to tackling political corruption. The Bill proposed amendments to Articles 75, 164, and 239AA of the Constitution, providing for the removal of individuals holding important constitutional positions if they are arrested and detained in connection with serious criminal offences.

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9. IBC Reforms: Major Changes Proposed in New Bill

The Insolvency and Bankruptcy Code (Amendment) Bill, 2025, was introduced in the Lok Sabha on August 12, 2025. The Bill proposed major changes to the Insolvency and Bankruptcy Code, 2016, addressing difficulties observed in its implementation and aligning it with global best practices. It was subsequently referred to a Select Committee, whose report was presented to the Lok Sabha during the winter session of Parliament in December 2025.

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10. SWAGAT-FI: India Paved Easy Path for Low-Risk Foreign Investors

On December 1, 2025, the Securities and Exchange Board of India (SEBI) notified amendments to the SEBI (Foreign Portfolio Investors) Regulations, 2019, and the SEBI (Foreign Venture Capital Investors) Regulations, 2000, introducing a single regulatory framework for a new group of trusted foreign investors under the Single Window Automatic and Generalised Access

for Trusted Foreign Investor (SWAGAT-FI) mechanism. The amendments realigned India's market-access legislations by providing for a simplified compliance framework for Government and Government-related investors and public retail funds. The two circulars subsequently issued on January 16, 2026, further extended ease of compliance and doing business, *inter alia*, by enabling a unified registration process across multiple investment routes.

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11. SEBI's Fifth LODR Amendment, 2025 - Materiality Recast, Compliance Tightened

New amendments to the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, primarily recalibrated the materiality test for related party transactions (RPTs) through a new Schedule XII; tightened the approval framework for subsidiary-level RPTs and the validity of shareholder approvals; and refined the treatment of employee and key managerial personnel (KMP) benefit schemes, and updated the annual report and debtholder communication requirements.

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12. RBI Issued Project Finance Directions, 2025

In a landmark regulatory move, the Reserve Bank of India (RBI) notified the Project Finance Directions, 2025, via Circular bearing reference no. RBI/2025-26/ 59 DOR. STR. REC. 34/21.04.048/ 2025-26 dated June 19, 2025, ushering in a harmonised framework for project financing across infrastructure and non-infrastructure sectors. The new directions aimed at strengthening credit discipline, enhancing risk-based underwriting, and bringing project loans squarely within the RBI's Prudential Framework for Resolution of Stressed Assets, 2019, while offering lenders more operational clarity and capital relief.

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13. Supreme Court Upheld Lock-In Clause in PSU Employment Contract

The Supreme Court in *Vijaya Bank & Anr. v. Prashant B. Narnaware* (Civil Appeal No. 11708 of 2016, May 14, 2025) upheld the validity of lock-in clauses implemented by public sector undertakings (PSUs). The Court held that the impugned clause was not violative of Section 27 of the Indian Contract Act, 1872, as it sought to perpetuate the employment contract for a specified term, and its object was in furtherance of the employment contract to ensure employee retention, rather than to restrain future employment. In the context of PSUs, where retaining a skilled workforce was an inalienable tool to their interests, the Court found the clause to be neither unfair nor unreasonable.

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14. Cleared for Takeoff: India's Long-Awaited Cape Town Act

In May 2025, India gave effect to the Convention on International Interests in Mobile Equipment (Cape Town Convention) and the Protocol to the Convention on International Interests in Mobile Equipment on Matters Specific to Aircraft Equipment (Aircraft Protocol), signed in Cape Town on November 16, 2001. These instruments establish a uniform legal framework for the financing and leasing of aviation assets. India implemented them through the Protection of Interests in Aircraft Objects Act, 2025 (Cape Town Act).

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15. Govt Scrapped Mandatory Probate of Wills

The Repealing and Amending Act, 2025, which received Presidential assent on December 20, 2025, omitted Section 213 of the Indian Succession Act, 1925, thereby removing the statutory requirement of probate. Probate, however, did not disappear from the legal landscape; it merely changed its character from an imposed hurdle to an informed strategic choice. For many estates, especially those involving complexity or potential conflict, voluntary probate continues to be a smart and protective move.

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