

JULY 2025

CORPORATE LAW BULLETIN



Content

A. CORPORATE LAW	
• MCA to launch final set of 38 company forms from July 14, 2025	1
• Corporate affairs ministry's warning—related-party violations attract penalties	1
• The Companies (Management and Administration) Amendment Rules, 2025	1
• The Companies (Audit and Auditors) Amendment Rules, 2025	1
• Relaxation of additional fees for filing of 13 e-forms during the period of transition from MCA21 V2 to V3	1
• Govt to relax rules for finance companies in GIFT City	2
B. SECURITIES LAWS	
• Master Circular for Registrars to an Issue and Share Transfer Agents	2
• Industry Standards on “Minimum information to be provided to the Audit Committee and Shareholders for approval of Related Party Transactions”	2
C. INSOLVENCY AND BANKRUPTCY	
• IBBI notifies amendments to streamline corporate insolvency process	3
<u>Other Judicial Pronouncements</u>	3

A. MINISTRY OF CORPORATE AFFAIRS

MCA to launch final set of 38 company forms from July 14, 2025

The Ministry of Corporate Affairs, in its continuous endeavour to serve better, has launched the final set of 38 Company Forms [including 13 Annual filing forms, 6 Audit/Cost audit forms] on 14th July 2025 at 12:00 AM.

Corporate affairs ministry's warning—related-party violations attract penalties

The Ministry of Corporate Affairs has reiterated the importance of maintaining an arm's-length approach in related-party transactions to avoid conflicts of interest. This comes amid proceedings against Gensol Engineering Ltd for alleged fund diversion to related parties. Following investigations, the NCLT has allowed attachment of bank accounts and lockers of the company, its subsidiaries, and associated individuals.

For more details: <https://www.livemint.com/news/relatedparty-transactions-penalties-gensol-fund-diversion-companies-act-financial-integrity-corporate-scandals-11748839869525.html>

The Companies (Management and Administration) Amendment Rules, 2025

The Ministry of Corporate Affairs (MCA) vide its notification dated May 30, 2025, has modified the MGT-7, MGT-7A and MGT-15 which shall come into force with effect from the 14th day of July, 2025.

The Companies (Audit and Auditors) Amendment Rules, 2025

The Ministry of Corporate Affairs (MCA) vide its notification dated May 30, 2025, has modified the Forms ADT-1, ADT-2, ADT-3 and ADT-4 which shall come into force with effect from the 14th day of July, 2025. Further, as per amendment in rule 13(2), the report of Statutory Auditor, Cost Auditor and Secretarial Auditor shall be filed electronically in form ADT-4.

For more details: <https://www.mca.gov.in/bin/ebook/dms/getdocument?doc=NTQwNjEyMjgw&docCategory=NotificationandCirculars&type=open>

Relaxation of additional fees for filing of 13 e-forms during the period of transition from MCA21 V2 to V3

In view of the transition of the MCA21 portal from Version 2 (V2) to Version 3 (V3) and to facilitate a smooth roll out of Annual filing and related e-forms in MCA-21 V3, in cases where the due date (i.e., the last date for filing without additional fees) or resubmission date falls between 18.06.2025 and 31.07.2025 (both dates inclusive), filing of the said e-Forms shall be allowed without levying any additional fees up to 15.08.2025.

Govt to relax rules for finance companies in GIFT City

The government plans to ease inter-corporate borrowing norms for finance firms operating in GIFT City by extending NBFC-like exemptions under Section 186 of the Companies Act, 2013. The Ministry of Corporate Affairs has invited public comments on the proposed amendment to the board rules by July 17. This move aims to boost financial activity in GIFT IFSC, Gujarat. Currently, RBI-registered NBFCs are exempt from certain provisions of Section 186, which regulates loans, guarantees, and investments by companies. Similar relief may now be extended to IFSCA-registered finance firms.

For more details: <https://www.mca.gov.in/bin/dms/getdocument?mids=59LhEfk%252FvRv8DioW%252Fo4yVA%253D%253D&type=open>

B. SECURITIES LAWS – SEBI

Master Circular for Registrars to an Issue and Share Transfer Agents

SEBI, from time to time, has been issuing various circulars/directions to Registrars to an Issue and Share Transfer Agents (RTA). In order to enable the users to have access to the applicable circulars at one place, this Master Circular in respect of RTA is being issued. This master circular supersedes the Master Circular for RTAs dated May 07, 2024 and the subsequent circulars on the subject. With the issuance of this Master Circular, the directions/ instructions contained in the circulars listed out in the Appendix to this Master Circular, to the extent they relate to the RTAs, shall stand rescinded.

For more details: https://www.sebi.gov.in/legal/master-circulars/jun-2025/master-circular-for-registrars-to-an-issue-and-share-transfer-agents_94735.html

Industry Standards on “Minimum information to be provided to the Audit Committee and Shareholders for approval of Related Party Transactions”

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.

For more 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

C. INSOLVENCY AND BANKRUPTCY

IBBI notifies amendments to streamline corporate insolvency process

The IBBI has notified the Fourth Amendment to the Corporate Insolvency Resolution Process Regulations, 2025, aiming to streamline procedures and enhance creditor protection. A key change allows resolution professionals, with CoC approval, to invite expressions of interest for the whole company, individual assets, or both. This is expected to reduce timelines, minimise value erosion, and attract more investors.

For more details: https://www.sci.gov.in/view-pdf/?diary_no=73582020&type=j&order_date=2025-05-02&from=latest_judgements_order

Legal Pronouncements

Concept of Maternity Leave is a matter of not Just Fair Play and Social Justice but is also a Constitutional Guarantee to the Women Employees – K. Umadevi v. Government of Tamil Nadu & ors

In the above case, the Supreme Court overturned a Madras High Court decision that denied maternity leave to a government teacher for her third child. It clarified that maternity benefits are not denied based on the number of children, but the duration differs—26 weeks for women with fewer than two surviving children and 12 weeks for those with two or more. The Court emphasized that maternity leave is a part of reproductive rights, which are protected under various human rights like health, equality, and dignity. Hon'ble Court also highlighted that maternity benefits are essential to support women during and after pregnancy, ensuring their physical and emotional well-being.

For more details: https://www.sci.gov.in/view-pdf/?diary_no=73582020&type=j&order_date=2025-05-02&from=latest_judgements_order

Application for first motion of scheme of demerger of closely held family companies under Section 230-232 of the Companies Act, 2013 – Lincon Polymers Private Limited & Anr V. NCLT

The appeal was filed against the NCLT Ahmedabad order dismissing a first motion application for a scheme of demerger under Sections 230–232 of the Companies Act, 1956. NCLT rejected the application citing discrepancies in shareholding patterns, mismatch in share issuance, and lack of clarity on the Khatraj undertaking's assets and liabilities. NCLAT, however, observed that both companies are closely held family concerns and noted that the shareholders, including Mr. and Mrs. Patel (jointly holding 43.72% shares), had given their clear consent. The share swap ratio was based on a report by an IBBI-registered valuer. Considering these facts, NCLAT set aside the NCLT's order.



Kreston SNR is a member of Kreston Global, a leading Global Network of Independent Accounting Firms. We are always on a quest to build our organisation on foundation of COMMITMENT, COMPETENCE and CONFIDENTIALITY. As a full-service advisory firm, we are a leading provider of end-to-end services for any organization looking to set up their business in India and overseas. Our team of world-class professionals and experts from diverse fields provides a complete range of services to every client. We customize our services according to the unique needs of our clients from diverse industries.

OUR LOCATION

DELHI

DGL-220 2nd Floor, DLF The Galleria,
Mayur Vihar Ph-I, Delhi - 110091.

Tel: +91-11 41655801, 41655802

Disclaimer:

While every care has been taken in the preparation of this Bulletin to ensure its accuracy at the time of publication, Kreston SNR assumes no responsibility for any errors which despite all precautions, may be found therein. Neither this bulletin nor the information contained herein constitutes a contract or will form the basis of a contract. The material contained in this document does not constitute/ substitute professional advice that may be required before acting on any matter. All logos and trademarks appearing in the bulletin are the property of their respective owners. The information transmitted is intended only for the person or entity to which it is addressed and may contain confidential and/or privileged material. Any review, re-transmission, dissemination, or other use of, or taking of any action in reliance upon, this information by persons or entities other than the intended recipient is prohibited.