

APRIL 2026

CORPORATE LAW BULLETIN



CONTENT

A. CORPORATE LAW	
• Advisory for Stakeholders for Name Reservation and Incorporation of Company and LLP.	1
• MCA Update on Directors' KYC (Simplified).	1
B. RESERVE BANK OF INDIA – FEMA	
• Reserve Bank of India (RBI) building more Digital Payments Intelligence (DPI) platforms to empower users.	2
• Cabinet eases FDI norms for countries sharing land border with India.	2
C. SECURITIES LAWS	
• SEBI launched an important investor protection measure in the form of Verified Label for stock trading apps of brokers registered with SEBI, on Google Play Store.	3
• Relaxations in certain reporting requirements for certain Stock-Brokers and doing away with the requirement of reporting of demat account.	3
<u>Legal Pronouncements</u>	4

A. MINISTRY OF CORPORATE AFFAIRS

Advisory for Stakeholders for Name Reservation and Incorporation of Company and LLP



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C CORPORATE
A AFFAIRS
GOVERNMENT OF INDIA

The Ministry of Corporate Affairs has issued a booklet dated 12 March 2026 titled “Advisory for Stakeholders for Name Reservation and Incorporation of Company and LLP.”

It provides clarifications and guidance on name reservation and incorporation of companies and LLPs. The booklet also highlights instances of name rejection due to resemblance, along with timelines for approval and preservation of names.

Additionally, it covers guidance on trademarks, acceptable registered office documents, and key factors for incorporation and name change of companies and LLPs.

For more details: <https://www.mca.gov.in/bin/dms/getdocument?mcs=Yyau8%252FQveEEgOSo722nczw%253D%253D&type=open>

MCA Update on Directors' KYC (Simplified)

The Ministry of Corporate Affairs (MCA) has introduced key amendments to the DIR-3 KYC framework to enhance ease of doing business and reduce repetitive compliance.

Reduced Frequency:

Directors holding DIN as on 31st March are now required to file DIR-3 KYC Web once every 3 financial years (instead of annually at present), on or before 30th June.

Mandatory updated within 30 days:

Any change in mobile number, email ID or residential address must be updated within 30 days.

Illustrative Scenarios:

- New DIN (obtained in FY 2025-26): First KYC due in April-June 2029, and thereafter every 3 years.
- Existing DIN (obtained on or before 31 March 2025 and KYC completed for FY 2025-26): Next KYC due in April-June 2028, subject to no changes in particulars.
- Any update in details does not affect the 3-year KYC cycle.

For more details: <https://www.mca.gov.in/bin/dms/getdocument?mcs=5wBuXrnw5F5hFYBugmtqIQ%253D%253D>

B. RESERVE BANK OF INDIA – FEMA

Reserve Bank of India (RBI) building more Digital Payments Intelligence (DPI) platforms to empower users

The Reserve Bank of India is developing advanced digital public infrastructure and payment intelligence platforms using AI and APIs to improve customer experience and strengthen the payments ecosystem.

A senior RBI official highlighted that AI will play a key role in enhancing customer journeys and automating grievance redressal as digital transactions continue to grow.

These initiatives are expected to help institutions save time and resources by reducing manual intervention.

For more details: <https://economictimes.indiatimes.com/news/economy/finance/rbi-building-more-digital-payments-intelligence-platforms-to-empower-users-ed/articleshow/129772904.cms>

Cabinet eases FDI norms for countries sharing land border with India

The Cabinet has approved amendments to the FDI policy for investments from countries sharing a land border with India.

The changes aim to boost FDI inflows, especially in startups and deep-tech sectors, and improve ease of doing business.

A defined timeline of 60 days has been introduced for approvals in critical sectors under Press Note 3, enabling faster collaborations, joint ventures, and integration with global supply chains.

For more details: <https://www.newsonair.gov.in/cabinet-eases-fdi-norms-for-countries-sharing-land-border-with-india/>



C. SECURITIES LAWS – SEBI

SEBI launched an important investor protection measure in the form of Verified Label for stock trading apps of brokers registered with SEBI, on Google Play Store

The rise of fraudulent trading apps has become a major risk for retail investors, with scammers mimicking genuine platforms to mislead users.

To address this, SEBI, in collaboration with Google, has introduced a “Verified” badge on Google Play for stock trading apps of SEBI-registered entities.

These verified apps will display a ‘Verified’ label, which will later be extended to other regulated intermediaries.

For more details: https://www.sebi.gov.in/media-and-notifications/press-releases/mar-2026/chairman-sebi-today-launched-an-important-investor-protection-measure-in-the-form-of-verified-label-for-stock-trading-apps-of-brokers-registered-with-sebi-on-google-play-store_100616.html

Ease of doing business measures – Relaxations in certain reporting requirements for certain Stock Brokers and doing away with the requirement of reporting of demat account

SEBI has revised para 15 of the Master Circular for Stock Brokers dated 17 June 2025 to improve regulatory efficiency and ease compliance.

The amendment introduces a uniform nomenclature for naming/tagging of bank and demat accounts and their reporting to stock exchanges.

Further, brokers who are also banks or primary dealers are required to report only those bank accounts used for stock broking activities.

For more details: https://www.sebi.gov.in/legal/circulars/mar-2026/ease-of-doing-business-measures-relaxations-in-certain-reporting-requirements-for-certain-stock-brokers-and-doing-away-with-the-requirement-of-reporting-of-demat-account_100511.html





Legal Pronouncements

Pannalal Bhansali (Appellant) Versus Bharti Telecom Limited & Ors (Respondents). **Supreme Court of India Civil Appeal No. 7655 of 2025 2026 INSC 213**

Reduction of Share Capital - No Mandatory Valuation Report under section 66 of the Companies Act

The Supreme Court has clarified that reduction of share capital under Section 66 of the Companies Act, 2013 does not mandatorily require a valuation report.

While minority shareholders challenged the fairness and transparency of the exit price, the Court noted that unlike other provisions (such as Sections 62, 230, 232, and 236), Section 66 does not specifically require a valuation report.

Accordingly, reduction can be carried out through a special resolution and Tribunal approval without such report, provided proper disclosures are made.

However, in this case, the company had voluntarily conducted a valuation and fairness review, which were made available for inspection.

Adjudication Order for violation of Section 152(6) and 172 of the Companies Act, 2013 in the matter of Fusion Finance Limited

RoC Delhi issued an adjudication order dated 16th March 2026 in the matter of Fusion Finance Limited. In this case, the company (incorporated in 1994 and converted into a public company on 20.07.2021) was required to have at least two rotational directors but had only one, resulting in non-compliance for 718 days.

The company later rectified the default by appointing additional rotational directors with shareholders' approval on 08.07.2023 and filed a suo moto application for adjudication.

The authorities held that only the company and concerned KMPs (MD, CFO, CS) were liable, while independent and certain non-executive directors were not treated as "officers in default."

For more details: <https://www.mca.gov.in/bin/dms/getdocument?mds=upCtARYd6ZjbImjWiQ0U5w%253D%253D&type=open>



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