

MAY 2026

CORPORATE LAW BULLETIN



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A. MINISTRY OF CORPORATE AFFAIRS

MCA invites public comments for the rationalization of the filing framework under the Companies Act, 2013



M **MINISTRY OF**
C **CORPORATE**
A **AFFAIRS**
GOVERNMENT OF INDIA

The Ministry of Corporate Affairs (MCA), has invited stakeholder comments for rationalisation of the filing and compliance framework under the Companies Act, 2013 covering the entire corporate lifecycle including entry, operations and exit stages. The concept note in this regard has been placed on the MCA website and comments may be submitted electronically.

For more details: <https://www.mca.gov.in/bin/dms/getdocument?mds=oEh25v5zfsEWljW3eJ3ocw%253D%253D&type=open>

MCA invites public comments for amending the Companies (Incorporation) Rules, 2014

MCA has issued a draft notification proposing amendments to the Companies (Incorporation) Rules, 2014 through the Companies (Incorporation) Amendment Rules, 2026 and invited public comments/suggestions through the e-Consultation Module available on the MCA website.

For more details: <https://www.pib.gov.in/PressReleasePage.aspx?PRID=2252805®=3&lang=1>

B. RESERVE BANK OF INDIA - FEMA

RBI invites public comments on Discussion Paper - Exploring safeguards in digital payments to curb frauds

The Reserve Bank of India (RBI), in line with its objective of ensuring safe and secure digital payments, has issued a Discussion Paper on "Exploring safeguards in digital payments to curb frauds" in view of the increasing sophistication of digital payment frauds. The initiative follows the Statement on Developmental and Regulatory Policies dated February 6, 2026. Stakeholders may submit comments and feedback on the Discussion Paper through the 'Connect 2 Regulate' link available on the RBI website.



For more details: https://www.rbi.org.in/Scripts/BS_PressReleaseDisplay.aspx?prid=62535

RBI Issues Draft Directions for 'Trade Receivables Discounting System'

Recognising the important role of MSMEs in the economy and the challenges faced by them in obtaining timely finance against trade receivables, the Reserve Bank of India (RBI) has issued draft Reserve Bank of India (Trade Receivables Discounting System) Directions following a comprehensive review of the existing framework governing TReDS platforms. The draft Directions aim to rationalise and harmonise the applicable guidelines and were announced pursuant to the Statement on Developmental and Regulatory Policies dated April 08, 2026. Comments and feedback from regulated entities and other stakeholders may be submitted through the 'Connect 2 Regulate' section on the RBI website.

For more details: https://rbi.org.in/Scripts/BS_PressReleaseDisplay.aspx?prid=62526

C. SECURITIES LAWS – SEBI

Review of requirement relating to registration for a Not-for-Profit Organization on Social Stock Exchange (SSE) and minimum subscription requirement for issuance of Zero Coupon Zero Principal Instruments

SEBI, in consultation with the Social Stock Exchange Advisory Committee (SSEAC), has reviewed the Social Stock Exchange (SSE) framework with a view to promote ease of fundraising and enhance participation of Not-for-Profit Organizations (NPOs).



Pursuant to the review, SEBI has approved extension of the validity period of registration of NPOs on SSE from two years to three years without mandatory fundraising. Further, the minimum subscription requirement for issuance of Zero Coupon Zero Principal Instruments (ZCZP) has been reduced from 75% to 50%, subject to due diligence by the SSE to ensure meaningful deployment of the funds proposed to be raised.

For more details: https://www.sebi.gov.in/legal/circulars/apr-2026/review-of-requirement-relating-to-registration-for-a-not-for-profit-organization-on-social-stock-exchange-and-minimum-subscription-requirement-for-issuance-of-zero-coupon-zero-principal-instruments_100935.html

Ease of doing business - mechanism for lock-in of pledged shares under SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018

SEBI, vide notification, amended the SEBI (ICDR) Regulations, 2018 to allow specified securities under lock-in to be marked as “non-transferable” by Depositories where lock-in cannot otherwise be created. Pursuant thereto, Depositories have issued an operational framework requiring suitable provisions in the Articles of Association, necessary intimations to lenders/pledgees and disclosures in offer documents. Stock Exchanges, Depositories, Merchant Bankers and issuers are required to ensure compliance with the prescribed mechanism.

For more details: https://www.sebi.gov.in/legal/circulars/apr-2026/ease-of-doing-business-mechanism-for-lock-in-of-pledged-shares-under-sebi-issue-of-capital-and-disclosure-requirements-regulations-2018_100826.html



Legal Pronouncements

Adjudication Order for violation of Section 123 of the Companies Act, 2013 in the matter of True Value Homes (India) Private Limited

ROC Chennai issued an adjudication order, in the matter of True Value Homes (India) Private Limited for failing to deposit the declared preference dividend into a separate scheduled bank account within the mandatory five-day period, and thus violating Section 123(4) of the Companies Act, 2013.

The Adjudicating Authority imposed a penalty of Rs. 38,000 each upon the company and three of the directors.

For more details: <https://www.mca.gov.in/bin/dms/getdocument?mds=0GllrVclttaEypIBeedxcw%253D%253D&type=open>

Adjudication Order for violation of Section 138 of the Companies Act, 2013 in the matter of Indus Steel And Alloys Limited

ROC Bangalore issued an adjudication order, in the matter of Indus Steel and Alloys Limited for failing to appoint an Internal Auditor, despite of requirement and thus violating Section 138(1) of the Companies Act, 2013.

The Adjudicating Authority imposed a penalty of Rs.10,000 each upon the company and three of the directors.

For more details: <https://www.mca.gov.in/bin/dms/getdocument?mds=ZkPIG2AjdxXjrGoKhcUtYw%253D%253D&type=open>



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