KRESTON SNR

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# CORPORATE LAW BULLETIN

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## A.CORPORATE LAW

**NISM and IICA sign MoU to Advance Corporate Governance, ESG and Capital Markets**

The National Institute of Securities Markets (NISM), established by the Securities and Exchange Board of India (SEBI), and Indian Institute of Corporate Affairs (IICA), under Ministry of Corporate Affairs, have signed a Memorandum of Understanding (MoU) to advance Corporate Governance, ESG and Capital Markets in the country. The two institutions will jointly design and deliver capacity building programmes, certification courses, executive education modules, and training programmes including for SEBI officers and officials of other regulatory and financial sector institutions.

Besides, areas like insolvency, investor education, valuation, responsible investing, sustainable finance, board governance, market integrity, MSME and emerging regulatory frameworks will also be addressed by the two institutions. Both institutions will collaborate on research, policy studies, curriculum design, and dissemination of best practices. The partnership also envisages joint organisation of flagship conferences, faculty exchange, publications etc.

**For more details:** https://www.pib.gov.in/PressReleasePage.aspx?PRID=2263645®=3&lang=1

## B. RESERVE BANK OF INDIA - FEMA

**Notification of Foreign Exchange Management (Non-debt Instruments) (Second Amendment) Rules, 2026**

The Finance Ministry has notified the Foreign Exchange Management (Non-debt Instruments) (Second Amendment) Rules, 2026, on May 2, 2026, enabling 100% Foreign Direct Investment (FDI) in the insurance sector under the automatic route. This amendment, stemming from the Sabka Bima Sabki Raksha (Amendment of Insurance Laws) Act, 2025, aligns investment norms with updated insurance laws while capping foreign investment in LIC at 20%.

**Notification of Foreign Exchange Management (Non-debt Instruments) (Amendment) Rules, 2026**

The Finance Ministry has notified the Foreign Exchange Management (Non-debt Instruments) (Amendment) Rules, 2026, on May 1, 2026, amending the provisions related to beneficial ownership, government approval requirements, and reporting obligations for foreign investments into India, particularly in the context of investments linked to countries sharing land borders with India.

## C. INSOLVENCY AND BANKRUPTCY BOARD OF INDIA - IBBI

**IBBI publishes syllabus, format, frequency and other details of Valuation Examinations**

IBBI publishes the syllabus and format of the 'Valuation Examinations' to be conducted from 21st August 2026 for the following asset classes:

- Land and Building
- Plant and Machinery
- Securities or Financial Assets

Format and frequency of Examination is also specified in the said press release.

**For more details:** https://ibbi.gov.in/uploads/press/943997ca0a413c95309187fe9f948dc5.pdf

**IBBI (Pre-Packaged Insolvency Resolution Process) (Second Amendment) Regulations, 2026**

IBBI amended the provisions of Regulations 38 and 39 of the IBBI (Pre-Packaged Insolvency Resolution Process) Regulations, 2021 governing the provisions related to appointment of registered valuers.

**For more details:**
https://ibbi.gov.in/uploads/legalframwork/1aa5e92f1d58f61e97a6875410e0acca.pdf

## IBBI (Liquidation process) (Third Amendment) Regulations, 2026

IBBI amended the provisions of Regulation 35 of the IBBI (Liquidation Process) Regulations, 2016 governing the provisions related to appointment of registered valuer in case of corporate debtor classified as a micro, small or medium enterprise under section 7(1) of MSMEs Development Act, 2006.

**For more details:**
https://ibbi.gov.in/uploads/legalframwork/070a4d880f23417b201f464f9ee85025.pdf

# Legal Pronouncements

## Adjudication Order for violation of Section 62 of the Companies Act, 2013 in the matter of BEEZAASAN EXPLOTECH LIMITED

ROC Ahmedabad issued an adjudication order dated 05th May 2026 in the matter of Beezaasan Explotech Limited for violation of Section 62(1)(a) of the Companies Act, 2013 for keeping its Rights Issue open for more than permissible statutory maximum of 30 days during the FY 2018-19. The Adjudicating Authority imposed a penalty of INR 44,000 each upon the company and two of the directors.

## Adjudication Order for violation of Rule 14(6) of the Companies (Prospectus and Allotment of Securities) Rules, 2014 in the matter of SRI MUTHU MALAI BENEFIT FUND LIMITED

ROC Chennai issued an adjudication order dated 12th May 2026 in the matter of Sri Muthu Malai Benefit Fund Limited for violation Rule 14(6) of the Companies (Prospectus and Allotment of Securities) Rules, 2014 for failing to file Form PAS-3 (Return of Allotment) with complete details of the allottees for the FY 2018-19. The Adjudicating Authority imposed a penalty of INR 10,000 each upon the company and on one of the directors.

## Adjudication Order for violation of Section 117(1) of the Companies Act, 2013 in the matter of PATTUKKOTTAI BENEFIT FUND NIDHI LIMITED

ROC Chennai issued an adjudication order dated 14th May 2026 in the matter of Pattukkottai Benefit Fund Nidhi Limited for violation of Section 117(1) of the Companies Act, 2013 for failing to file Form MGT-14 within stipulated time for the financial year ending 31.03.2023. The Adjudicating Authority imposed a penalty of INR 54,500 upon the company and INR 50,000 each on six of the directors.

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**Adjudication Order for violation of Section 134 of the Companies Act, 2013 in the matter of SHREEPATI BUILD INFRA INVESTMENT LIMITED**

ROC Goa issued an adjudication order dated 13th May 2026 in the matter of Shreepati Build Infra Investment Limited for violation of Section 134(5A) of the Companies Act, 2013 for failing to comply with Accounting Standard 9 (AS-09) and Accounting Standard 15 (AS-15) for its financial statements, for the FY 2021-22. The Adjudicating Authority imposed a penalty of INR 3,00,000 upon the company and INR 50,000 on one of the directors.

**Adjudication Order for violation of Section 118 of the Companies Act, 2013 in the matter of MERINO SHELTERS PRIVATE LIMITED**

ROC Mumbai issued an adjudication order dated 15th May 2026 in the matter of Merino Shelters Private Limited for violation of Section 118 of the Companies Act, 2013 for failing to maintain company's Board Meeting minutes books properly. The Adjudicating Authority imposed a penalty of INR 25,000 upon the company and INR 5,000 each on three of the directors.

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.

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