KRESTON SNR

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CORPORATE LAW BULLETIN

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CONTENT

A.CORPORATE LAW

The Companies (Corporate Social Responsibility Policy) Amendment Rules, 2026

The Ministry of Corporate Affairs (MCA) has expanded the scope of Schedule VII of the Companies Act, 2013 by introducing a new CSR activity under Item (xiii), namely "Subscription to Zero Coupon Zero Principal Instruments on the Social Stock Exchange." To facilitate CSR implementation through this mechanism, the MCA has also amended the Companies (Corporate Social Responsibility Policy) Rules, 2014 by introducing the definitions of "Not for Profit Organisation" and "Zero Coupon Zero Principal Instrument", along with a new Rule 4A prescribing the framework and eligibility criteria for such CSR contributions.

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

The Companies (Registered Valuers and Valuation) Amendment Rules, 2026

The Ministry of Corporate Affairs has notified the Companies (Registered Valuers and Valuation) Amendment Rules, 2026. According to the amendment rule 12(1)(i) has been substituted as below:

It has been registered under section 25 of the Companies Act, 1956 or section 8 of the Companies Act, 2013 (18 of 2013), having, -

a) a minimum paid-up share capital of twenty-five lakh rupees;

b) the sole object of dealing with matters relating to regulation of valuers of an asset class or asset classes; and

c) bye-laws containing the requirements specified in Annexure –III.

Provided that a registered valuer organisation which does not have the specified minimum paid-up capital as on the date of the commencement of the Companies (Registered Valuers and Valuation) Amendment Rules, 2026 shall comply with this requirement on or before 31st March, 2028".

Relaxation in paying additional fees in case of delay in filing Form DPT-3

The Ministry of Corporate Affairs (MCA) has extended the timeline for filing Form DPT-3 for the Financial Year 2025-26 without additional fees up to 31 July 2026. The relaxation has been granted in view of the capacity enhancement and restoration activities at the MCA Data Centre following the fire incident on 5 June 2026.

Guidelines for Corporate Mitra Scheme

The Corporate Mitra Scheme, announced in the Union Budget 2026-27, aims to strengthen India's MSME ecosystem by creating a pool of trained para-professionals known as Corporate Mitras. The Scheme comprises 6 months of online academic learning followed by 6 months of on-the-job training to provide practical industry exposure. Corporate Mitras will assist MSMEs with regulatory compliance, GST, accounting, financial guidance, cost accounting, and secretarial services, enabling businesses to focus on growth while ensuring compliance. The Scheme will be hosted on the websites of the MCA, the three Professional Institutes, and the SWAYAM Plus portal, where eligible candidates can register and access further details regarding the course, fee structure, evaluation, and implementation process.

B. RESERVE BANK OF INDIA - FEMA

Swap Facility for External Commercial Borrowings and Overseas Foreign Currency Borrowings

The Reserve Bank of India has introduced a US Dollar Rupee Forex Swap Facility for eligible External Commercial Borrowings (ECBs) with a minimum average maturity of three years raised up to 31 December 2026 by specified Public Sector Undertakings (PSUs). The facility is also available for eligible Overseas Foreign Currency Borrowings (OFCBs) raised by Authorised Dealer Category-I Banks with a minimum maturity of three years, subject to the prescribed conditions.

For more details: https://rbi.org.in/Scripts/NotificationUser.aspx?Id=13469&Mode=0

C. SECURITIES EXCHANGE BOARD OF INDIA - SEBI

Ease of doing investments - Modified Norms for Nomination in Demat Accounts and Mutual Fund Folios

The Securities and Exchange Board of India (SEBI) has revised the nomination norms for demat accounts and mutual fund folios by modifying its circular dated 10 January 2025. The changes have been introduced after considering stakeholder representations, operational challenges, and public consultation feedback. The revised framework aims to simplify investor onboarding, streamline the nomination process, and reduce the incidence of unclaimed financial assets.

For more details: https://www.sebi.gov.in/legal/circulars/may-2026/ease-of-doing-investments-modified-norms-for nomination-in-demat-accounts-and-mutual-fund-folios_101703.html

Extension of timelines for compliance with certain provisions of Circular dated January 02, 2026

The Securities and Exchange Board of India (SEBI) has extended the compliance timelines for certain requirements under the SEBI (Merchant Bankers) (Amendment) Regulations, 2025. The extension has been granted in response to industry representations highlighting operational challenges in implementing the Separate Business Unit (SBU) framework and aligning the revised net worth and liquid net worth requirements. Accordingly, SEBI has prescribed revised implementation timelines through its circular dated 11 June 2026, providing additional time for compliance.

For more details: https://www.sebi.gov.in/legal/circulars/jun-2026/extension-of-timelines-for-compliance-with certain-provisions-of-circular-dated-january-02-2026_102083.html

D. INSOLVENCY AND BANKRUPTCY BOARD OF INDIA - IBBI

IBBI (Insolvency Resolution Process for Corporate Persons) (Fourth Amendment) Regulations, 2026

भारतीय दिवाला और शोधन अक्षमता बोर्ड
Insolvency and Bankruptcy Board of India

The Insolvency and Bankruptcy Board of India (IBBI) has notified the IBBI (Insolvency Resolution Process for Corporate Persons) (Fourth Amendment) Regulations, 2026, introducing amendments to Regulations 16(2), 31B and 39(3), and inserting a new Regulation 16E. The new regulation requires the Resolution Professional to invite the five largest unrelated operational creditors, including the three largest statutory authorities by admitted claims, as non-voting observers to the Committee of Creditors (CoC) meetings where creditors other than scheduled banks or public financial institutions hold more than 66% of the voting share. Their observations, if any, are required to be recorded in the minutes of the CoC meetings.

For more details:
https://ibbi.gov.in/uploads/legalframwork/9ff2e33e257d8f22ab3dc142ccce6e29.pdf

Legal Pronouncements

Adjudication Order for violation of Section 161 of the Companies Act, 2013 in the matter of ABSOLUTE PROJECTS (INDIA) LIMITED

ROC Delhi issued an adjudication order dated 07th May 2026 in the matter of Absolute Projects (India) Limited for violation of Section 161(1) of the Companies Act, 2013 for failing to regularise the additional director in the AGM and also to file the mandatory e-Form DIR- 12 within the prescribed time limit. The Adjudicating Authority imposed a penalty of Rs.3,00,000 upon the company and Rs.1,00,000 each on three of the directors.

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 Rs.3,00,000 upon the company and Rs.50,000 on one of the directors.

Adjudication Order for violation of Section 155 of the Companies Act, 2013 in the matter of ERROL JAMES DESOUZA

ROC Mumbai issued an adjudication order dated 07th May 2026 in the matter of Errol James Desouza for violation of Section 155 of the Companies Act, 2013 for maintaining two Director Identification Numbers (DINs). The Adjudicating Authority imposed a penalty of Rs.48,870 on the director.

Adjudication Order for violation of Rule 8(1) and Rule 8(3) of the Companies (Registration Offices and Fees) Rules, 2014 in the matter of ROBINSONS CARGO & LOGISTICS PRIVATE LIMITED

ROC Mumbai issued an adjudication order dated 11th May 2026 in the matter of Robinsons Cargo & and Rule 8(3) of the Companies (Registration Offices and Fees) Rules, 2014 for filing incorrect details in E-form AOC-4 XBRL, while filing its annual financial on October 15, 2025. The Adjudicating Authority imposed a penalty of Rs.10,000 on the director.

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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