


## Editorial

Related party transactions are not the problem. The problem is when they stop being at arm's length.

For years, a flat Rs. 1,000 crore threshold treated every listed company the same, regardless of size, scale, or context. SEBI's 2025 reforms fix that. Materiality now scales with the company. Disclosures are more structured. Subsidiary oversight is tighter. The gaps that quietly accumulated since 2021 have been addressed.

But proportionality is not a relaxation. The transactions that remain material carry more scrutiny, not less. And recent enforcement orders leave no doubt that SEBI is watching.

Stronger thresholds demand stronger governance, not just better paperwork.

Please share your feedback on this newsletter with us at contact@cimplyfive.com, we eagerly look forward to it.

Happy Reading,
Team CimplyFive
July 07, 2026

***What's more in this month's issue…***


- ***What is Hot in Company Law?***
- ***Article of the Month***
- ***BLISS Tips for the Month***
- ***Test your Gray Matter!***
- ***Compliance Calendar***
- ***Regulatory Changes in the Month***


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## OPINION:

### What is Hot in Company Law?

Our free to use website www.ca2013.com has the unique distinction of providing an integrated view of the Companies Act, 2013 ("Companies Act"), Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), 2015 ("SEBI (LODR)") and Insolvency and Bankruptcy Code, 2016 ("IB code"). Our website has crossed **65 million page-views** as on date and attracts about 15,000 users accessing around 45,000 pages a day. List of the most viewed sections in the Companies Act, SEBI (LODR) and IB Code in the month of June 2026 here is based on visitors to our website is as follows:

**For the Month of June, 2026**
**Companies Act, 2013 Top 5 Chartbusters**

| Rank in May | Change in Rank | Rank in June | Section | Section Title |
|---|---|---|---|---|
| 1 | ↔ | 1 | 179 | Powers of Board |
| 2 | ↔ | 2 | 188 | Related Party Transactions |
| 3 | ↔ | 3 | 62 | Further issue of share capital |
| 5 | ↔ | 4 | 149 | Company to have Board of Directors |
| 6 | ↔ | 5 | 186 | Loan and investment by company |

No Change in the sections for the month of June 2026.

**SEBI (LODR) Top 5 Chartbuster Regulations**

| Rank in May | Change in Rank | Rank in June | Regulation | Regulation title |
|---|---|---|---|---|
| 1 | ↔ | 1 | 30 | Disclosure of Events or Information |
| 2 | ↑ | 3 | 23 | Related Party Transactions |
| 3 | ↓ | 2 | 17 | Board of directors |
| 4 | ↓ | 5 | 52 | Financial Results |
| N | ↑ | 4 | 33 | Financial Results |

Regulation 62Q has been replaced with Regulation 33 for the month of June 2026 respectively.

**IB Code Top 5 Chartbusters**

| Rank in May | Change in Rank | Rank in June | Section | Section Title |
|---|---|---|---|---|
| 1 | ↓ | 5 | 6 | Persons who may initiate corporate insolvency resolution process. |
| N | ↑ | 3 | 3 | Part I Definitions |
| 3 | ↑ | 1 | 53 | Distribution of assets. |
| 4 | ↔ | 4 | 33 | Initiation of liquidation. |
| 5 | ↑ | 2 | 5 | Definitions |

Regulation 30 has been replaced with Regulation 3 for the month of June 2026.

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## Article Related Party Transactions (RPTs): SEBI's Stricter Thresholds

### INTRODUCTION

Until December 2025, a Rs. 5,000 crore company and a Rs. 80,000 crore conglomerate were bound by the exact same RPT rule: shareholder approval for any transaction crossing Rs. 1,000 crore. For the larger entity, that meant public votes on deals worth barely 1.3% of its revenue. SEBI's own data showed top-100 NSE companies filing 235 to 293 material RPT resolutions annually. When investors vote on everything, nothing gets real scrutiny.

SEBI responded with a full overhaul. The revised ISF Industry Standards (effective September 1, 2025) and the SEBI LODR Fifth Amendment Regulations 2025 (effective December 19, 2025) rebuilt India's RPT framework to be proportionate in size, tighter on disclosures, and more practical for large listed groups.

This article covers what changed, why it matters, and what your company needs to do now.

### KEY TAKEAWAYS

**The Flat Threshold is Dead:** The rigid Rs. 1,000 crore RPT threshold has been replaced by a three-tier, turnover-linked formula under the new Schedule XII, active since December 19, 2025.

**Breathing Room for Mid-Caps:** For companies with a turnover of Rs. 20,000 crore or less, the materiality threshold has effectively doubled to Rs. 2,000 crore.

**Conglomerates Get a Real Ceiling:** Large players (turnover above Rs. 40,000 crore) now have a cap of Rs. 5,000 crore before needing a shareholder vote: a massive 5x jump from the old limit.

**Brand usage fees and royalties** are deliberately carved out, still governed by the tighter 5% of consolidated turnover rule.

**Cutting the Red Tape:** SEBI's own data crunching suggests these new, realistic limits will slash the sheer volume of RPT shareholder resolutions by roughly 60% for the top-100 NSE firms.

### WHAT ARE RELATED PARTY TRANSACTIONS (RPT)?

Stripped of the legalese, a Related Party Transaction is simply any transfer of resources, services or obligations between a listed company and an entity it has a close connection with, whether that link is through corporate ownership, management control, or direct family ties.

Let's be clear: nobody is saying these deals shouldn't happen. Running a massive group structure naturally involves routine business between sister concerns. The real regulatory headache is making sure these deals happen at arm's length (on fair, market-rate terms) instead of being used to quietly channel value away from minority shareholders and into the pockets of insiders or promoters.

To stop companies from dodging the rules, SEBI LODR Regulation 2(1)(zb) creates an incredibly wide net by stacking three cumulative definitions:

1. **The Companies Act, 2013 (Section 2(76)):** This covers the obvious inclusions: directors, Key Managerial Personnel (KMPs), their immediate relatives, and any firms where they hold a significant stake.
2. **Ind AS 24:** This pulls in any entities linked via corporate control, joint ventures, or significant management influence on either side of the deal.
3. **The SEBI Safety Net:** This is where things get truly broad. SEBI includes every single member of the promoter or promoter group, regardless of how many shares they actually own. It also hooks any individual or entity that held a 10% or greater equity stake in the listed company at any point during the preceding financial year.

That third layer catches many compliance teams off guard. If a promoter entity sells off its stake down to 3% halfway through the year, it remains a related party for the rest of that entire fiscal year.

Furthermore, under the strict "purpose and effect" test active since April 2023, SEBI looks entirely at substance over form. You do not have to label a deal an RPT for it to count as one; if a transaction is structured to ultimately benefit a related party, SEBI will look straight through the corporate wrapper.

**Everyday RPTs in Indian Corporate Groups**

- Buying or selling inventory and raw materials between sister companies.
- Inter-corporate loans, corporate guarantees, or providing bank collateral within the group.
- Brand licensing fees, technology transfers, and royalty payouts.

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- Back-office shared services, IT support, and centralized treasury cash pools.
- Compensation packages, bonuses, and perks for directors and their relatives.

**WHY SEBI REVAMPED THE RPT FRAMEWORK**

It was only in 2021 that SEBI introduced a significant overhaul of the corporate governance framework for related party transactions, bringing in the Rs. 1,000 crore materiality threshold and mandating prior shareholder approvals. The 2025 reforms are not a reversal of that intent. They are a response to one structural limitation that emerged in practice: the 2021 framework did not adequately account for the relative scale of transactions across companies of different sizes. A threshold that flags a meaningful deal for a mid-sized entity becomes a routine settlement for a large conglomerate, and that asymmetry quietly diluted the purpose of shareholder oversight.

Treating a Rs. 90,000 crore conglomerate exactly the same as a Rs. 5,000 crore mid-cap was unsustainable. For massive corporate houses, it meant routine, everyday operations (representing less than 1% to 2% of their annual revenue) were constantly getting dragged into public shareholder voting. It caused severe governance fatigue. Institutional investors were getting swamped with voting agendas, meaning truly risky or questionable transactions were not getting the deep focus they actually deserved.

Further the following points, Beyond fatigue, made the 2025 overhaul inevitable:

**The Subsidiary Loophole:** Previously, an unlisted subsidiary could enter into a massive RPT that triggered a parent-level shareholder vote without ever passing through the listed parent's audit committee first. It was an obvious corporate governance gap.

**The "Holding Company" Game:** Some corporate groups were abusing the Wholly Owned Subsidiary (WOS) exemption by routing transactions through unlisted, intermediate holding vehicles, a loophole SEBI never intended to allow.

**Lack of Legal Teeth:** Crucial rules around omnibus approvals were tucked away in master circulars rather than being codified directly into the SEBI LODR regulations.

**Complex Paperwork Overload:** When the Industry Standards Forum (ISF) initially dropped a set of disclosure formats in early 2025, the corporate world pushed back hard because they were a logistical nightmare to implement. SEBI had to pivot quickly, pulling them back to simplify the formats.

**An Aggressive Enforcement Stance:** Major SEBI crackdowns in 2024 on companies like Future Retail, Linde India, and Paytm sent a clear message: the regulator was no longer just looking at compliance on paper, it was hunting for substance-over-form violations.

This pressure cooker resulted in a 32-page consultation paper in August 2025, an official nod at SEBI's 211th Board Meeting in September and the formal rollout of the SEBI LODR Fifth Amendment Regulations in November 2025.

**KEY CHANGES UNDER SEBI LODR FIFTH AMENDMENT REGULATIONS**

The Fifth Amendment effectively rewrote Regulations 2, 12, 23, 53, and 58 of the LODR, inserting a brand-new Schedule XII. If you are managing compliance, these are the five pillars you need to know:

**1. The Scale-Based Materiality Matrix (Schedule XII)**

The old rule (where a deal was material if it hit Rs. 1,000 crore or 10% of turnover, whichever was lower) is dead. It has been replaced by a smart, tiered formula linked directly to a company's consolidated turnover. We break down these exact numbers in the next section.

**2. The Smart Double-Test for Subsidiary RPTs**

To stop subsidiaries from bypassing governance, SEBI introduced a dual-gate test. For a subsidiary with at least one year of audited books, its transactions now need prior approval from the listed parent's audit committee if they cross the lower of:

- 10% of the subsidiary's own standalone turnover, or
- The listed parent's new Schedule XII threshold.

If it is a brand-new subsidiary without a financial track record, the test instead looks at 10% of its paid-up capital plus securities premium.

**3. Clear Expiry Dates for Omnibus Approvals**

Omnibus approvals can no longer float in a grey area. SEBI has officially written these timelines into the LODR text. If an omnibus approval is granted at an AGM, it expires at the very next AGM. If it is passed via a regular

general meeting or a postal ballot, it is valid for exactly one year, with no exceptions. Letting a deadline slip is now an automatic regulatory breach.

**4. The Retrospective "Holding Company" Reality Check**

The amendment clarifies that the expression 'holding company', for the purpose of the relevant exemption, refers to the listed holding company. As this clarification has been given retrospective effect, companies that previously relied on a broader interpretation may wish to review earlier transaction structures and assess whether any compliance implications arise.

**5. Relief for Director and KMP Relatives**

In a welcome move of practical relief, everyday retail purchases made by the relatives of directors or KMPs are no longer flagged as RPTs. The catch? The terms must be entirely uniform across all employees and management. The moment you give a director's relative a special discount or preferential pricing, the compliance shield vanishes.

**Note on Disclosures:** Alongside these amendments, the revised ISF Industry Standards (effective September 1, 2025) mandated a three-part disclosure template: Part A for general RPT data, Part B for specific deal dynamics, and Part C for heavy-duty material RPTs headed for a shareholder vote. RPT reporting in India has never been this detailed.

**SEBI'S STRICTER MATERIALITY THRESHOLDS**

Think of the new Schedule XII framework like progressive tax brackets. Your regulatory obligations scale up alongside your corporate footprint.

| Annual Consolidated Turnover | New RPT Threshold | Upper Ceiling | Old Threshold |
|---|---|---|---|
| **Up to Rs. 20,000 crore** | 10% of consolidated turnover | Rs. 2,000 crore | Rs. 1,000 crore |
| **Rs. 20,001 crore – Rs. 40,000 crore** | Rs. 2,000 cr + 5% of turnover above Rs. 20,000 cr | Rs. 3,000 crore | Rs. 1,000 crore |
| **Above Rs. 40,000 crore** | Rs. 3,000 cr + 2.5% of turnover above Rs. 40,000 cr | Rs. 5,000 crore (above this = always material) | Rs. 1,000 crore |

**How This Plays Out in Real Life:**

- **The Mid-Cap Reality (Turnover: Rs. 12,000 crore):** Under the 10% rule, their new limit is **Rs. 1,200 crore** (up from Rs. 1,000 crore). It is a modest, practical bump.
- **The Large-Cap Reality (Turnover: Rs. 30,000 crore):** Their limit climbs to **Rs. 2,500 crore** ( $\text{Rs. 2,000 cr} + 5\% \text{ of Rs. 10,000 cr}$). That is a 2.5x increase, offering massive relief from constant voting.
- **The Mega-Conglomerate Reality (Turnover: Rs. 75,000 crore):** Their formula yields **Rs. 3,875 crore** ($\text{Rs. 3,000 cr} + 2.5\% \text{ of Rs. 35,000 cr}$). This gives them nearly 4x more operational room before triggering public shareholder intervention.

***Two Rules That Did Not Change:***

1. ***The Royalty Guardrail:*** *Brand usage fees and royalties are strictly barred from this relief. They remain capped at* ***5% of consolidated turnover*** *across the board, regardless of company size, to prevent promoters from siphoning profits out via intellectual property deals.*
2. ***The Aggregation Rule:*** *You cannot bypass the system by slicing a massive deal into smaller, bite-sized contracts. All transactions with the same related party over a financial year are added up cumulatively. SEBI's 2024 enforcement against Linde India proved that contract-splitting will be caught and penalized.*

**COMMON COMPLIANCE CHALLENGES**

While proportional rules are fairer, they introduce significant operational complexity. Tracking a dynamic threshold that shifts every single year requires a lot more effort than tracking a fixed Rs. 1,000 crore number.

1. **The Moving-Target Threshold:** Schedule XII requires you to recalculate your materiality limits at the start of every financial year based on your latest audited consolidated revenue. ERP systems, internal compliance trackers, and

approval workflows must be updated immediately. If you miscalculate the slab, your compliance roadmap is broken from Day 1.

2. **The Subsidiary Double-Standard:** Managing a group with dozens of subsidiaries means tracking both the subsidiary's standalone numbers and the parent's Schedule XII limits at the same time. Doing this on manual Excel spreadsheets is an invitation for human error.
3. **Real-Time Data for New Ventures:** Tracking new subsidiaries means knowing their exact paid-up capital and securities premium within a tight 3-month window of seeking approval. This requires live accounting integration, not historical year-end reports.
4. **The Retrospective WOS Time-Bomb:** Because the holding company clarification applies retrospectively, any corporate group that historically used intermediate holding entities for exemptions must review those contracts immediately. There is no grace period.
5. **The Dedicated Royalty Watch:** Since brand fees are carved out under their own tight 5% rule, compliance teams must run a completely separate tracking system to ensure royalty payments do not accidentally breach limits while general RPT limits rise.
6. **The Automation Imperative:** The three-part ISF disclosure layout requires deep, transaction-level breakdowns alongside mandatory CEO/CFO sign-offs. If your firm processes hundreds of RPTs a year, trying to compile these files manually is logistically impossible.
7. **The Omnibus Countdown:** Now that omnibus validity rules live inside the LODR text, a single missed renewal date is an automatic regulatory violation. Missing an AGM renewal timeline carries real legal consequences.

**COMPLIANCE ACTION CHECKLIST FOR LISTED ENTITIES**

This step-by-step checklist breaks down what your compliance team needs to execute, organized by priority.

Phase 1: The Core Foundation (ISF Standards)

- Ensure all RPT files heading to the Audit Committee use the ISF Part A format as an absolute baseline.
- Apply Part B templates dynamically depending on whether the deal is a loan, equity, goods supply, or a guarantee.
- Embed Part C disclosures directly into shareholder explanatory statements for any deals crossing materiality caps.
- Attach a formal, signed CEO/MD and CFO Certification to every single Audit Committee submission.
- Identify and segregate small-ticket deals (under Rs. 10 crore or 1% of turnover) to route them through the simplified disclosure path.

Phase 2: Fifth Amendment Alignment

- Recalculate your exact Schedule XII threshold using your latest audited consolidated financials and hard-code it into your ERP.
- Update your formal, Board-approved RPT Policy to delete all mentions of the old Rs. 1,000 crore rule.
- Audit and categorize every subsidiary: apply the dual-turnover test for established units and the capital-base test for new setups.
- Review all past Wholly Owned Subsidiary (WOS) exemptions to guarantee the "holding company" is the ultimate listed parent.
- Run a calendar audit on all active omnibus approvals and flag any expiring within the next 90 days for renewal.

Phase 3: Continuous Governance

- Update your Related Party Master List dynamically in real time, rather than waiting for annual disclosures.
- Monitor running cumulative transaction totals per related party to prevent aggregation breaches.
- Keep a completely separate compliance register for brand fees and royalties under the 5% cap.
- File your Regulation 23(9) half-yearly disclosures with the stock exchanges strictly within 15 days of announcing your financial results.

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- Ensure only Independent Directors who sit on the Audit Committee cast votes on RPT approvals.
- Enforce absolute voting abstention for all related parties when an RPT goes to a public shareholder vote.
- Publish your updated RPT policy and current Schedule XII limits transparently on your company website and inside the Annual Report.

**HOW AI IS TRANSFORMING RPT COMPLIANCE, TODAY AND TOMORROW**

There was a time when a simple Excel sheet could track your RPTs because a flat Rs. 1,000 crore limit was easy to monitor. But today, with rolling thresholds, dual subsidiary calculations, multi-layered ISF reporting, and strict omnibus countdowns, manual tracking is a compliance hazard.

Dedicated compliance automation has shifted from being an optional luxury to an absolute operational necessity.

What Modern Compliance Tech Delivers:

- Dynamic Threshold Scaling: Dedicated software automatically pulls your year-end financials, calculates your precise Schedule XII brackets, and instantly re-calibrates the compliance limits across all subsidiaries simultaneously.
- ERP-Level Gatekeeping: Modern compliance systems plug directly into your ERP (like SAP or Oracle). It screens counterparties at the purchase-order stage, stopping an unapproved RPT before any money changes hands.
- One-Click ISF Filing: Instead of compliance teams spending days manually compiling data, automation engines can pull raw transaction history and auto-populate Parts A, B, and C of the ISF templates in a matter of minutes.
- Early-Warning Aggregation Alerts: Instead of realizing you broke a threshold after the fact, smart trackers monitor cumulative spending with individual related parties and sound the alarm when you hit 80% of your limit, giving your board plenty of time to schedule a shareholder vote.
- NLP Regulatory Tracking: Advanced tools use Natural Language Processing (NLP) to read newly uploaded SEBI circulars, break down the core duties, and automatically push updated tasks directly to your secretarial team's workflow.

**HOW CLEARTAX HELPS ENTERPRISES MANAGE RPT COMPLIANCE**

Navigating the post-2025 SEBI LODR ecosystem requires a tool that blends real-time financial tracking with deep legal workflows. ClearTax handles this complexity through two interconnected enterprise platforms:

ClearCompass: All-Law Compliance Mapping

ClearCompass is ClearTax's enterprise compliance mapping tool that tracks regulatory obligations across applicable laws, including SEBI LODR regulations, the Companies Act, and FEMA, helping listed entities stay on top of their compliance calendar.

- Unified Obligation Tracking: Maps compliance requirements under SEBI Regulation 23, Companies Act Section 188, and other applicable regulations in one place, giving your secretarial and legal teams a consolidated view of obligations.
- Deadline Management: Centralises compliance timelines including Regulation 23(9) half-yearly filing deadlines, omnibus approval expiry dates, and board policy review schedules.
- Regulatory Update Alerts: When SEBI issues a new circular or amendment, ClearCompass flags the change and updates the applicable compliance tasks, ensuring your team is always working against current requirements.

**CLOSING THOUGHTS**

The 2025 regulatory shifts are not a sign that SEBI is relaxing its grip on corporate India; rather, they mark a transition into regulatory maturity. By introducing proportional thresholds, explicit subsidiary check-points, and highly structured disclosure formats, the regulator has built a sustainable framework. Routine, low-risk internal corporate movements no longer choke shareholder agendas, ensuring that massive, high-risk deals face genuine, uncompromised public scrutiny.

As a corporate leader, you must ask yourself: Does your enterprise possess the digital infrastructure needed to calculate and monitor shifting, turnover-linked limits across dozens of subsidiaries in real time? Is your secretarial team prepared to track strict omnibus deadlines written directly into the LODR text?

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The new rules are active. The only question left is whether your internal compliance systems are truly ready to handle them.

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## BLISS Tips for the Month

### BLISS Tips #345: Say Goodbye to Manual Document Hunting!

Did you know that the Bliss e-Repository does this for you? Every record you create or Upload is systematically saved and categorized under the correct Financial Year. Plus, with built-in OCR technology, Bliss turns your scanned documents into fully searchable files. Instead of digging through endless folders, simply type a keyword and apply a filter to retrieve your secretarial and critical records instantly. It's the easiest way to cut down effort and supercharge your team's efficiency!

### BLISS Tips #346: No password. No OTP. Just one click to your BLISS workspace

Need a quick way to login into your BLISS workspace? The Sign-In Link feature lets you log in securely without a password or OTP - just generate a link using your registered email ID, click it from your inbox, and you're in. No credentials to remember, no OTP to wait for. It's a fast, hassle-free way to get straight to your tasks in just a few clicks, making your BLISS workspace easier to access than ever.

### BLISS Tips #347: Easily Reset User Passwords with the New Admin Feature

Admins can now generate a new password for any existing user directly from the User Rights section. This enables Admins to quickly restore user access in situations such as forgotten passwords or email delivery issues, without requiring the user to initiate a password reset.

- Reset passwords for existing users directly from User Rights.
- Choose between Default or Custom password.
- Instantly restore user access.
- Ideal for forgotten passwords or email delivery issues.
- Users can change their password after logging in.

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**Test your Gray Matter!! Take our Quiz to find out!**

**1. Under Section 186(2) of the Companies Act, 2013, a company may make loans, give guarantees, or acquire securities of other bodies corporate up to the HIGHER of ___ of its paid-up share capital, free reserves, and securities premium account, OR 100% of free reserves and securities premium account — without requiring a special resolution.**

a) 30%
b) 50%
c) 60%
d) 75%

**2. Under Regulation 7(1)(a) of SEBI (PIT) Regulations 2015, when the regulations first become applicable to a listed company, every promoter, KMP, and director must disclose their existing shareholding to the company within ___ days of such applicability.**

a) 7 days
b) 15 days
c) 30 days
d) 60 days

**3. Under Section 5(8) of IBC 2016, "financial debt" is debt disbursed against consideration for the time value of money. Which of the following is classified as "operational debt" under Section 5(21) and NOT as financial debt?**

a) Amount raised under secured non-convertible debentures (NCDs)

b) A working capital term loan from a scheduled bank

c) Outstanding dues for goods supplied in the ordinary course of business

d) Lease liability under a financial lease arrangement

**4. Under Regulation 30 of SEBI (LODR) 2015 read with SEBI's Master Circular, the outcome of a Board meeting (e.g., financial results approval, dividend declaration, merger sanction) must be disclosed to the stock exchange within ___ of the closure of the Board meeting.**

a) 15 minutes
b) 30 minutes
c) 2 hours
d) 24 hours

**5. In a book-built IPO under the Profitability Route (Regulation 7) of SEBI (ICDR) 2018, the minimum portion of the net offer to the public that must be reserved for Retail Individual Investors (RIIs) is:**

a) 10%
b) 25%
c) 35%
d) 50%

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# Board Leaders Integrated Software Solution

## BLISSPLUS

**BLISSPLUS** is a Cloud hosted software that automates the routines, provides an e-repository, timely alerts, and a real-time dashboard, all aimed at ensuring compliance and good corporate governance. By doing so, it provides complete peace of mind to the Board of Directors and assurance to professionals by providing them with real-time compliance status with respect to the Companies Act, 2013. It also has multiple premium features like Directors view, facility to store past Secretarial records, automated compliance tracker for size- based compliance under the Companies Act, 2013.

## BLISSLISTED

**BLISSLISTED** is an advanced variant of BLISSPLUS for Listed Companies with Companies Act,2013 and SEBI's LODR 2015 compliances integrated to provide a single point compliance automation, risk manager & e-repository for secretarial records including past secretarial records.

## BLISSDOCS

**BLISSDOCS** is an Android/IOS based Board app for Directors which provides secure access to Board documents on Tablets/mobile phones, enhancing Directors productivity and making the Board meetings efficient & effective

## CIMPLYBEST

**CimplyBest** is a tailormade software for Indian Corporates in conducting Corporate Board Evaluation which will optimize Board's Time & Effort with confidentiality assured.

## Clear Compass

**Clear Compass** is an All-law Compliance Software to ascertain, track and manage all the applicable state, central and industry-specific laws.

CAIRR LODR Integrated

**CAIRR** is a free to use website from CimplyFive that provides at your fingertips, an integrated view of the Companies Act, 2013, IB Code, 2016 and LODR, 2015. The site and app are updated every business day by 11 AM for changes in the Act & Regulations. For more details, please visit www.ca2013.com

## Compliance Calendar for the month of July 2026

| | | |
|---|---|---|
| **Compliances under Companies Act 2013** | | |
| • MGT- 7 - Annual Return<br>• MGT-7A - Annual Return of OPC and Small Company<br>• AOC-4- Filing of financial statements<br>• AOC-4 (XBRL)- Filing of financial statements in XBRL format<br>• ADT-1- Appointment of auditors<br>• FC-3 and FC-4 ( Foreign Companies) | A one-time compliance relief initiative, namely the Companies Compliance Facilitation Scheme, 2026 (CCFS-2026), to enable companies to regularize pending statutory filings. The scheme provides immunity from penalties and prosecution for the delayed forms filed during the specified period. | 15th July,2026 |
| **SEBI (LODR) Regulations, 2015 Compliances** | | |
| Indian Depository Receipt holding pattern (Only for Listed entities which has issued IDR). | Regulation 69(1) | 14th July 2026 |
| Integrated Filing - Governance (Regulation 13(3): Statement on redressal of investor grievances and 27(2): Compliance Report on Corporate Governance and few provisions of Regulation 30) | 13(3) and 27(2) | 30th July 2026 |
| Statement showing holding of securities and shareholding. | Regulation 31 (1) (b) | 21st July 2026 |
| **SEBI (Depositories and Participants) Regulations, 2018** | | |
| Reconciliation of share capital audit report. | Regulation 76 | 30th July 2026 |
| **Annual Compliances under PIT regulations** | | |
| SDD Compliance Certificate or a Practising Company Secretary (PCS). | Regulation 3(5) | 21st July 2026 |

## Gist of regulatory changes in Companies Act, 2013, SEBI (LODR) 2015, SEBI (PIT) Regulations, 2015 and Insolvency & Bankruptcy Code, 2016 in the month of June 2026.

- **01/06/2026**

### MCA has notified the Companies (Registered Valuers and Valuation) Amendment Rules, 2026.

Under this amendment, the following rule has been added:

1. Registered Valuer Organizations (RVOs) shall maintain a minimum paid-up share capital of Rs. 25 lakh.
2. The sole object of the RVO shall be dealing with matters relating to the regulation of valuers of one or more asset classes.
3. The bye-laws of the RVO shall contain the requirements specified under the Rules.
4. Existing RVOs not meeting the minimum paid-up capital requirement have been provided time up to 31 March 2028 to comply.

### Pre-Packaged Insolvency Resolution Process under Section54L of the Insolvency and Bankruptcy Code, 2016

The stock exchanges have clarified that the exemptions available under various SEBI regulations in respect of a resolution plan approved under the Insolvency and Bankruptcy Code, 2016 are not available to resolution plans approved under the Pre-Packaged Insolvency Resolution Process (PPIRP) framework under Section 54L of the IBC.

Accordingly, listed entities undergoing PPIRP shall be required to comply with all applicable procedural and regulatory requirements prescribed under the relevant SEBI regulations.

### MCA Notifications relating to Corporate Social Responsibility (CSR) and Social Stock Exchange (SSE)

BSE has informed listed entities, not-for-profit organizations, market participants and the public about the notifications issued by the MCA, relating to CSR and the SSE.

Key Highlights of the Circular:

1. Subscription to Zero Coupon Zero Principal (ZCZP) instruments listed on the SSE has been included as an eligible CSR activity under Schedule VII of the Companies Act, 2013.
2. Companies may now utilize their CSR funds by subscribing to ZCZP instruments issued on the SSE platform.

Listed entities and other stakeholders are advised to review and align their CSR policies to leverage the SSE framework for fulfilling CSR obligations.

### Insolvency and Bankruptcy Board of India (Liquidation Process) (Fourth Amendment) Regulations, 2026.

1. The amendment introduces changes across various provisions governing liquidation processes under the Insolvency and Bankruptcy Code.
2. Modifications have been made relating to the role of creditors, liquidators, claims, valuations, asset sales and reporting requirements.
3. Certain timelines and procedural requirements have also been revised.
4. The notification aims to streamline liquidation proceedings and enhance stakeholder oversight.

### Insolvency and Bankruptcy Board of India (Information Utilities) (Amendment) Regulations, 2026.

1. The amendment introduces changes relating to submission, authentication and maintenance of information by Information Utilities.
2. Provisions have been revised regarding records of default, disputed information and related processes.
3. Certain prescribed forms have been replaced with formats to be notified separately by the Board through circulars.
4. The notification also updates procedural and operational requirements

### Insolvency and Bankruptcy Board of India (Insolvency Resolution Process for Personal Guarantors to Corporate Debtors) (Amendment) Regulations, 2026.

1. The amendment introduces changes relating to disclosures, asset statements and procedural requirements in the insolvency resolution process for personal guarantors.
2. Revised provisions have been introduced regarding reporting, creditor approvals and transfer of assets.
3. Certain forms prescribed under the regulations have been replaced with formats to be notified separately by the Board through circulars.
4. The notification also updates compliance and documentation requirements for stakeholders involved in the process.

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1. The amendment introduces changes relating to disclosures, asset statements and procedural requirements in the insolvency resolution process for personal guarantors.
2. Revised provisions have been introduced regarding reporting, creditor approvals and transfer of assets.
3. Certain forms prescribed under the regulations have been replaced with formats to be notified separately by the Board through circulars.
4. The notification also updates compliance and documentation requirements for stakeholders involved in the process.

**Insolvency and Bankruptcy Board of India (Insolvency Resolution Process for Corporate Persons) (Third Amendment) Regulations, 2026.**

1. The amendment introduces changes relating to the corporate insolvency resolution process, disclosures, claims and procedural requirements.
2. Revised provisions have been introduced concerning information to be furnished by corporate applicants, creditors and resolution professionals.
3. The notification also incorporates changes relating to transfer of guarantor assets, withdrawal of applications and resolution plan processes.
4. Certain timelines, reporting requirements and compliance procedures have been revised to facilitate the insolvency resolution process.
5. Various prescribed forms have been replaced with formats to be notified separately by the Board through circulars.

**Insolvency and Bankruptcy Board of India (Grievance and Complaint Handling Procedure) (Amendment) Regulations, 2026.**

1. The amendment introduces changes relating to the grievance and complaint handling framework administered by the Board.
2. Certain definitions and procedural provisions have been revised for alignment with the Insolvency and Bankruptcy Code, 2016.
3. The notification also streamlines procedural requirements relating to submission and processing of grievances and complaints.

**Insolvency and Bankruptcy Board of India (Inspection and Investigation) (Amendment) Regulations, 2026.**

1. The amendment introduces changes relating to the inspection, investigation and disciplinary framework under the regulations.
2. The notification also updates procedural requirements and prescribed formats under the regulations such as Form A which will be notified separately by the Board through circulars.

**Insolvency and Bankruptcy Board of India (Bankruptcy Process for Personal Guarantors to Corporate Debtors) (Second Amendment) Regulations, 2026.**

Revised provisions have been introduced concerning transfer of assets, disclosures and procedural requirements during the bankruptcy process and few compliance and reporting requirements have been updated to align with recent changes under the Insolvency and Bankruptcy Code.

**Insolvency and Bankruptcy Board of India (Pre-Packaged Insolvency Resolution Process) (Third Amendment) Regulations, 2026.**

The Insolvency and Bankruptcy Board of India (IBBI) has notified the Insolvency and Bankruptcy Board of India (Pre-Packaged Insolvency Resolution Process) (Third Amendment) Regulations, 2026.

**Key Highlights of the Notification:**

1. References to fixed statutory forms (Forms P1 through P14) prescribed under the principal regulations have been replaced with a flexible framework, whereby formats shall henceforth be such as notified by the Board from time to time.

2. Regulation 18 has been substituted in its entirety to enumerate the information and documents to be furnished by the corporate applicant along with the application for initiating a Pre-Packaged Insolvency Resolution Process, including declarations, financial statements, and consent of the proposed resolution professional.

3. The corporate applicant is required to submit proof of approval from financial creditors, not being related parties, representing not less than fifty-one per cent in value of the financial debt.

4. The Schedule containing the prescribed forms (Forms P1 to P14) appended to the principal regulations has been omitted, consequent to the transition to Board-notified formats.

**Insolvency and Bankruptcy Board of India (Voluntary Liquidation Process) (Second Amendment) Regulations, 2026.**

The Insolvency and Bankruptcy Board of India (IBBI) has notified the Insolvency and Bankruptcy Board of India (Voluntary Liquidation Process) (Second Amendment) Regulations, 2026.

**Key Highlights of the Notification:**

1. References to fixed statutory forms prescribed under Schedule I of the principal regulations (Forms A through I) have been replaced with a flexible framework, whereby formats shall henceforth be such as notified by the Board through circular from time to time.

2. A new Regulation 28A has been inserted, providing that a stakeholder shall submit its claim on or before the last date mentioned in the public announcement and shall update its claim as and when it is satisfied, partly or fully, from any source after the liquidation commencement date.

3. Regulation 29 has been amended to require the liquidator to record reasons inwriting for rejection of any claim, and to communicate the decision of admission or rejection to the concerned stakeholder within seven days thereof.

4. A new Regulation 42 has been inserted to govern the termination of voluntary liquidation proceedings, prescribing the contents of the resolution for termination, the obligations of the liquidator to intimate the Adjudicating Authority, the Board, and the Registrar of Companies, and the consequences of termination including cessation of the liquidator's appointment and powers.

5. Schedule I containing the prescribed forms has been omitted from the principal regulations, and the existing Schedule II has been renumbered as Schedule I consequent to such omission.

- **02/06/2026**

**IBBI has issued a circular specifying formats under the Insolvency Resolution Process for Personal Guarantors to Corporate Debtors Regulations, 2019.**

1. Formats have been prescribed for Written Consent to Act as Resolution Professional, Claim Submission by Creditors, and Proxy for Attendance and Voting at Meetings of Creditors.
2. These forms are to be used for procedural and compliance purposes under the insolvency resolution process for personal guarantors.

**IBBI has issued a circular specifying formats under the Insolvency and Bankruptcy Board of India (Voluntary Liquidation Process) Regulations, 2017.**

1. Prescribed formats have been issued for public announcements, submission of claims by stakeholders, compliance certificates and related filings.
2. Forms have also been specified for deposit and withdrawal of unclaimed dividends and undistributed proceeds.
3. Further, the circular also prescribes the format for intimation of termination of voluntary liquidation proceedings.

**Formats under the Insolvency and Bankruptcy Board of India (Bankruptcy Process for Personal Guarantors to Corporate Debtors) Regulations, 2019**

The Insolvency and Bankruptcy Board of India (IBBI) has prescribed formats relating to the bankruptcy process of personal guarantors to corporate debtors.

**Key Highlights of the Circular:**

1. A format has been prescribed for providing Written Consent to Act as a Bankruptcy Trustee.
2. Insolvency Professionals are required to disclose their eligibility and ongoing assignments while furnishing consent.
3. A standardized format has been introduced for appointment of proxies for meetings of the Committee of Creditors.
4. The prescribed formats aim to bring consistency and procedural clarity in bankruptcy proceedings involving personal guarantors.

**Formats under the Insolvency and Bankruptcy Board of India (Insolvency Resolution Process for Corporate Persons) Regulations, 2016.**

The Insolvency and Bankruptcy Board of India (IBBI) has specified standardised formats under the IBBI (Insolvency Resolution Process for Corporate Persons) Regulations, 2016, pursuant to the amendments introduced by the IBBI (Insolvency Resolution Process for Corporate Persons) (Third Amendment) Regulations, 2026.

**Formats under the Insolvency and Bankruptcy Board of India (Liquidation Process) Regulations, 2016**

The Insolvency and Bankruptcy Board of India (IBBI) has specified standardised formats under the IBBI (Liquidation Process) Regulations, 2016, pursuant to the amendments introduced by the IBBI (Liquidation Process) (Fourth Amendment) Regulations, 2026.

**Formats under the Insolvency and Bankruptcy Board of India (Pre-packaged Insolvency Resolution Process) Regulations, 2021**

The Insolvency and Bankruptcy Board of India (IBBI) has specified standardised formats under the IBBI (Pre-packaged Insolvency Resolution Process) Regulations, 2021, pursuant to the amendments introduced by the IBBI (Pre-Packaged Insolvency Resolution Process) (Third Amendment) Regulations, 2026.

- **03/06/2026**

**IBBI Circular regarding Format of Filing Claims and Complaints**

**(1)** The Insolvency and Bankruptcy Board of India (IBBI) has notified a standardized format for filing claims under the Inspection and Investigation Regulations, 2017.

**Key Highlights of the Circular:**

1. A prescribed form has been introduced for fi ling claims arising from orders passed under Section 220(4) of the Insolvency and Bankruptcy Code, 2016.
2. Claimants are required to provide details of the loss suffered and the computation there of.
3. Claims exceeding Rs. 10,000 are required to be verified before a Notary.
4. The standardized format is intended to streamline the claim submission process.

**(2)** Format for filing complaint

The Insolvency and Bankruptcy Board of India (IBBI) has notified a standardized format for filing complaint under the Grievance and Complaint Handling Procedure Regulations,2017.

- **08/06/2026**

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

**Key Highlights of the Notification:**

1. Representation in the Committee of Creditors has been restricted to unrelated operational creditors, with all such creditors to be included where their number falls below eighteen.

2. Where non-bank and non-public financial institution creditors hold more than sixty-six per cent of the voting share, the Resolution Professional is required to invite the five largest unrelated operational creditors, including the three largest statutory due holders, to attend committee meetings as observers without voting rights.

3. Prior committee approval has been mandated for all Insolvency Resolution Process costs, with the Resolution Professional required to place a Going Concern Assessment Report at the first meeting and seek cost approvals at each subsequent meeting.

4. The committee is now required to record its deliberations on the feasibility and viability of each resolution plan, expected realisable value vis-à-vis fair and liquidation values, and adequacy of market discovery undertaken during the process.

- **12/06/2026**

**Frequently Asked Questions (FAQs) on the submission of the Quarterly Integrated Filing Governance**

The National Stock Exchange (NSE) has issued Frequently Asked Questions (FAQs) to provide guidance on the submission of the Quarterly Integrated Filing – Governance (formerly known as the Corporate Governance Report) through the XBRL utility.

- **19/06/2026**

**Update of single filing system through API-based integration between Stock Exchanges:**

Vide the aforesaid circulars, the Stock Exchange has extended the Single Filing System to cover the following additional disclosures, w.e.f June 20, 2026:

**1.** Commencement or any postponement in the date of commencement of commercial production or commercial operations of any unit/division
**2.** (a) Arrangements for strategic, technical, manufacturing, or marketing tie up; or (b) adoption of new line(s) of business; or (c) closure of operation of any unit, division or subsidiary (in entirety or in piecemeal)
**3.** Capacity addition or product launch
**4.** Awarding, bagging/receiving, amendment or termination of awarded/bagged orders/contracts not in the normal course of business
**5.** Agreements (viz. loan agreement(s) or any other agreement(s) which are binding and not in normal course of business) and revision(s) or amendment(s) or termination(s) thereof
**6.** Disruption of operations of any one or more units or division of the listed entity due to natural calamity (earthquake, flood, fire etc.), force majeure or events such as strikes, lockouts etc
**7.** Effect(s) arising out of change in the regulatory framework applicable to the listed entity.
**8.** Pendency of any litigation(s) or dispute(s) or the outcome thereof which may have an impact on the listed entity
**9.** Frauds or defaults by employees of the listed entity which has or may have an impact on the listed entity.
**10.** Options to purchase securities including any ESOP/ESPS Scheme
**11.** Giving of guarantees or indemnity or becoming a surety by whatever named called,] for any third party
**12.** Granting, withdrawal, surrender, cancellation or suspension of key licenses or regulatory approvals
**13.** Delay or default in the payment of fines, penalties, dues, etc. to any regulatory, statutory, enforcement or judicial authority.

**The single filing system is already available for the following disclosures:**

**1.** Investor Grievance Report
**2.** Corporate Governance Report
**3.** Reconciliation of Share Capital Audit Report
**4.** Meetings of shareholders and Voting Results
**5.** Integrated Filing (Governance)
**6.** Annual Secretarial Compliance Report
**7.** Integrated Filing-Financials
**8.** Issue Summary Document (ISD)- Buyback- Open and Tender Route
**9.** Resolution plan/ /Restructuring in relation to loans/borrowings from banks/financial institutions (Inter-Creditors Agreement) and One time settlement (OTS)
**10.** Corporate Debt Restructuring
**11.** Fraud/Default/Arrest
**12.** Closure of Trading Window
**13.** Prior Intimation for Board Meeting
**14.** Business Responsibility and Sustainability Report
**15.** Resignation of Independent Director, Director, KMP, SMP, Compliance Officer
**16.** Resignation of Statutory Auditor
**17.** Change in directors, key managerial personnel (Managing Director, Chief Executive Officer, Chief Financial Officer, Company Secretary etc.), senior management, Auditor and Compliance Officer, Registrar to an issue and share transfer agent
**18.** Acquisition/Amalgamation/Merger/De-merger /Sale or disposal/Other Restructuring
**19.** Annual Report-XBRL
**20.** Loss of Share Certificate/Issue of Duplicate Share Certificate
**21.** Awarding, Bagging/receiving, amendment or termination of orders not in the normal course of business -Para B
**22.** Issuance/Allotment/Alteration/Restriction on transferability of securities-Para A
**23.** Corporate Insolvency Resolution Process events
**24.** Notice of Shareholders Meeting.
**25.** Agreements/Contracts/ Arrangements/ MOU- Para A
**26.** Outcome of Board Meeting for Dividend, Buyback, Bonus and Voluntary Delisting events
**27.** Initiation of Forensic Audit
**28.** Prohibition of Insider Trading
**29.** Action(s) taken or orders passed by any regulatory, statutory, enforcement authority or judicial body
**30.** Action(s) initiated or orders passed by any regulatory, statutory, enforcement authority or judicial body
**31.** Schedule of analysts or institutional Investors meet, Investor Presentation, Transcripts, Audio & Video recording

## About CimplyFive

### Mission

Provide a cost-effective, secure web-based, menu driven, subscription services that provides curated resolutions, timely alerts and informative dashboards to free the management bandwidth for pursuing business goals

### Vision

Leverage research and technology to eliminate procedural non-compliance risk for entities regulated by the Indian Companies Act, 2013

| **Solution for Quiz** |
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