

Editorial

Insider trading enforcement in India has quietly shifted its center of gravity in recent years — away from proving intent, and toward examining the paper trail a company can produce after the fact. At the heart of that paper trail sits the Structured Digital Database (SDD), an obligation that many organizations still treat as a back-office formality rather than the evidentiary backbone it was designed to be. When a regulator eventually asks who knew what, and when, it is this database — not the company's stated policies or good intentions — that does the talking. A well-maintained SDD can settle the question in minutes; a poorly maintained one can turn a routine inquiry into a prolonged one.

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

Happy Reading,
Team CimplyFive
September 04, 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***

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 **68 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 August 2026 here is based on visitors to our website is as follows:

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

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

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

SEBI (LODR) Top 5 Chartbuster Regulations

Rank in July	Change in Rank	Rank in August	Regulation	Regulation title
1	↔	1	30	Disclosure of Events or Information
3	↔	3	23	Related Party Transactions
2	↔	2	17	Board of directors
4	↔	4	34	Annual Report
N	↑	5	51	Disclosure of information having bearing on performance/operation of listed entity and/or price sensitive information

Regulation 52 has been replaced with Regulation 51 for the month of August 2026 respectively.

Rank in July	Change in Rank	Rank in August	Section	Section Title
1	↓	2	21	Committee of creditors.
5	↑	3	3	Part I Definitions
N	↑	4	28	Approval of committee of creditors for certain actions.
N	↑	5	35	Powers and duties of liquidator.
3	↑	1	5	Definitions

IB Code Top 5 Chartbusters

Section 10 and Section 33 has been replaced with Section 28 and Section 35 for the month of August 2026 respectively.

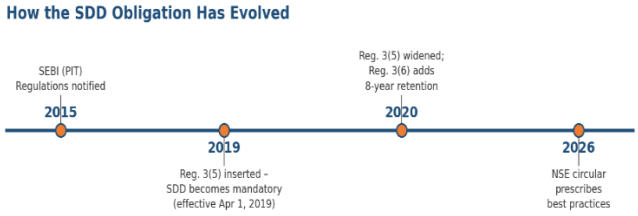
Structured Digital Database (SDD) Compliance: The Evidentiary Core of Insider Trading Controls

Introduction

The Structured Digital Database (SDD) is an obligation, under the SEBI (Prohibition of Insider Trading) Regulations, 2015, of recording and retaining information on Unpublished Price Sensitive Information (UPSI) disclosure for every listed company and intermediary/fiduciary dealing with it. It captures information about what existed, who knew and to whom the UPSI was shared.

In a lot of cases, the SDD could be one of the first places a regulator would investigate, even years after the alleged transaction, in order to learn who knew what, and when. Hence the SDD becomes, in effect, a forensic trail of the company's management of unpublished price sensitive information (UPSI).

The obligation to keep the SDD derives from Regulation 3(5) of the SEBI (Prohibition of Insider Trading) Regulations, 2015 that was inserted in 2018 and became effective April 1, 2019. An amendment in 2020 expanded its scope and inserted Regulation 3(6) which fixes 8 years for retention of the SDD.



The NSE Circular- What Prompted It

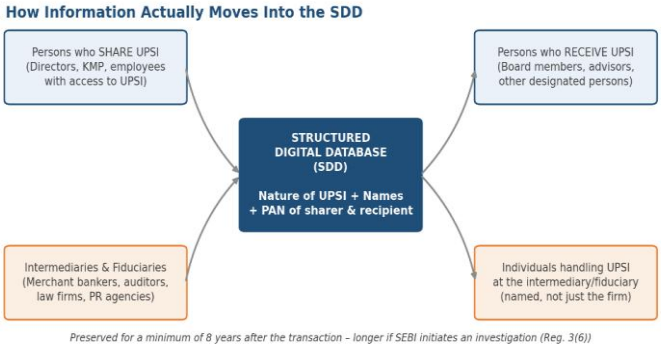
On August 7, 2026 a short but pointed circular went out from the Listing department of NSE to each listed entity on the exchange. The document itself reads more like housekeeping - a reminder to maintain the SDD described above.

On closer inspection of the language used, however, a different view emerges. NSE specifically cites that the advisory follows 'observations made in certain cases'. That one sentence alone should send up warning flags to anyone who has dealt with a SEBI inspection, or even an internal audit of insider-trading controls.

What NSE is doing with this advisory is taking the regulation a step beyond, and explicitly stating (in reasonably plain language) the practices that companies are now expected to follow - not leaving it to their interpretation.

Five Practices Companies Are Now Expected to Follow

1. **Capture the nature of UPSI, plus names and PANs of everyone who shared and received it – including named individuals at any intermediary or fiduciary involved (not just the firm's name).**
2. **Review internal leakage-prevention policies periodically.**
3. **Conduct periodic training and awareness sessions for employees and fiduciaries handling UPSI.**
4. **Ensure the Code of Conduct under the PIT Regulations is actively operational.**
5. **Implement any other measures necessary to genuinely prevent misuse of price-sensitive information.**



None of this changes the underlying law. What changes is the standard of proof – companies now need an SDD that will stand up to scrutiny.

The Governance Layer Around the SDD

Maintenance of the SDD is not a matter for one part of the organization alone - the PIT Regulations embed specific ownership at each level of the organization:

• **Compliance Officer [Reg. 9(3)]**: designated to administer the Code of Conduct, and responsible for monitoring adherence to UPSI preservation rules, which extends to maintaining the SDD itself.

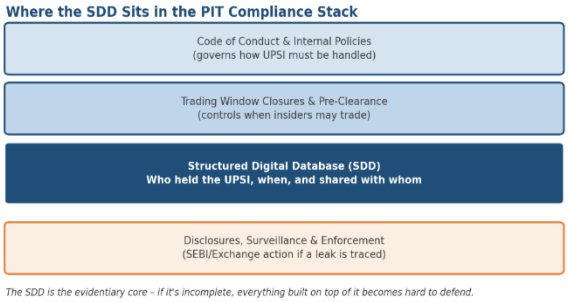
• **CEO/MD [Reg. 9A(1)]**: must implement adequate internal controls to prevent insider trading, including SDD upkeep as part of the overall control framework.

• **Audit Committee [Reg. 9A(4)]**: required to review compliance with the PIT Regulations at least once every financial year, and verify that internal controls are operating effectively - this review necessarily encompasses the SDD.

• **Board of Directors [Reg. 3(5) and 3(6)]**: ultimately responsible for ensuring the SDD is maintained and preserved for the mandated 8-year period.

Since August 2022, exchanges have also required a formal SDD Compliance Certificate, issued by the Compliance Officer or a Practising Company Secretary, which confirms the existence of, access-control to, and non-tamper ability of, the database, and that every UPSI event has been captured for the period.

This certification requirement has since been incorporated into the Annual Secretarial Compliance Report (ASCR) under Regulation 24A of the SEBI (LODR) Regulations for companies to which it applies - making SDD upkeep a matter for annual, documented record rather than a one-time exercise.



Where Gaps Usually Show Up

In most organizations, the problem is not a lack of awareness about what an SDD is supposed to contain. The bigger problem tends to be the execution.

Common Practice Today	Expected Standard
SDD updated at long intervals, often only before board meetings	Updated near real-time, as UPSI is generated or shared
PANs entered inconsistently or left blank	Complete, verified PAN entries for sharers and recipients
Advisors logged only at firm level (e.g. "XYZ Law Firm")	Named individuals at each fiduciary tracked directly
Leakage-prevention policy drafted once, rarely revisited	Periodic review against current regulatory provisions
Training limited to an annual email or slide deck	Structured training with documented attendance
Code of Conduct exists on paper	Code of Conduct actively enforced and monitored

Gaps like these surfaces most when the SDD is treated as an Excel sheet updated by whoever remembers to do it. An SDD should ideally be treated as a live compliance record, rather than a document that is completed retrospectively.

Why This Deserves Board Level Attention

1. **The advisory appears to be reactive rather than purely routine. When regulators identify recurring weaknesses in individual cases, reminders and sector-wide advisories often follow. The mention of "observations made in certain cases" therefore warrants attention.**

2. **Individual-level tracking can be easily overlooked. Companies often record that information was shared with an adviser without identifying the specific individuals who received it. That may leave an evidentiary gap that is easy to exploit.**

3. **The mention of "periodic" should not be taken lightly. Whether it relates to policy reviews, training or other compliance activities, companies should have a defined cadence and, importantly, documentation showing that the review or training actually took place.**

4. **SDD weaknesses tend to emerge at the worst possible time. A missing PAN, an unidentified recipient or a delayed entry may seem like a minor issue during routine operations. During an investigation, however, those same gaps could raise significantly bigger questions about the company's overall control environment.**

What Listed Companies Should Do Now

- **Audit the current SDD for completeness - check PAN fields are filled for every entry, not just names.**
- **Expand SDD coverage to named individuals at every intermediary and fiduciary UPSI was shared with this financial year.**
- **Pull out the leakage-prevention policy and PIT Code of Conduct and fix a review date on the compliance calendar.**
- **Schedule and document a training session before the next trading window closes.**
- **Keep records of every SDD update, policy review and training - evidence matters more than intent.**

Conclusion

The simplest way to look at the latest NSE advisory is this: the SDD should not be treated as a static compliance file.

It should be a live, individual-level record that allows the company to reconstruct the journey of UPSI — where it originated, who had access to it, and who it was subsequently shared with. That is the real value of the SDD.

The difference between having an SDD and having an SDD that can withstand regulatory scrutiny may ultimately come down to the quality and timeliness of the information recorded in it.

Given the direction in which insider-trading enforcement has been moving, companies would be better off closing those gaps now rather than trying to explain them after an investigation has already begun

BLISS Tips #350: Make the Help Guide Your First Stop

The BLISS Help Guide is your go-to resource for understanding and using the various features of BLISS.

It covers the key modules and functionalities relevant to Company Secretaries, Directors and other BLISS users.

1. Find quick answers to common "How do I…?" questions whenever you need assistance.
2. Each topic provides clear, step-by-step guidance to help you complete tasks with ease.
3. Visual screenshots are included at every important step for easy understanding.
4. Selected topics also include video demonstrations to give you a practical walkthrough of the functionality.

The Help Guide is regularly enriched with useful information to help you make the most of BLISS.

BLISS Tips #351: Give your team the access they need - without giving them access to everything.

Not every agenda item needs to be visible to every user involved in preparing a meeting. BLISS allows you to **restrict specific agenda items from selected Editor users**, while still allowing them to work on other agenda items.

This is particularly useful when an agenda contains **confidential, sensitive, or role-specific information** that should not be accessible to certain users.

With this feature, the team can:

- Maintain **confidentiality at the individual agenda-item level.**
- Give Editor users access to the agendas they need without exposing sensitive items.
- Ensure **better control over meeting information and user access.**
- Clearly identify restricted agenda items when an Editor user accesses the meeting.

 Copyright © 2026, CimplyFive

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

1. Under Regulation 23(2) of LODR, ALL related party transactions require prior approval of the:

a) Board of Directors
b) Audit Committee
c) Nomination and Remuneration Committee
d) Shareholders, in every single case

2. A company covered under Section 135(1) is required to spend only ₹40 lakh on CSR in a given financial year. As per Section 135(9):

a) It must still constitute a full CSR Committee of three or more directors

b) It is exempt from constituting a CSR Committee; the Board itself performs the Committee's functions (since the exemption threshold is spend not exceeding ₹50 lakh)

c) It must appoint at least one independent director to a mandatory two-member committee

d) Its CSR obligation is waived entirely for that year

3. The minimum period for which the 'contra trade' restriction applies to designated persons under Clause 10 of Schedule B (read with Regulation 9) is:

a) 3 months
b) Not less than six months
c) Exactly six months, extendable to one year at SEBI's discretion
d) One year, with no exceptions

4. Under Schedule XIII of the ICDR Regulations, shares allotted to Anchor Investors are locked in as follows:

a) 100% of shares locked in for 90 days

b) 50% of shares locked in for 30 days, and the remaining 50% locked in for 90 days, from date of allotment

c) 50% locked in for 90 days and the remaining 50% locked in for 30 days (i.e., the reverse of Option B)

d) The entire allocation is locked in for 30 days only

5. The Fast Track CIRP under Section 55 must ordinarily be completed within:

a) 90 days from commencement, extendable once by up to 45 days

b) 180 days from commencement, extendable by 90 days

c) 330 days, same as a regular CIRP

d) 60 days, with no extension permitted

 Copyright © 2026, CimplyFive

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 September 2026

Compliances under Companies Act 2013		
• **MGT- 7 - Annual Return** • **MGT-7A - Annual Return of OPC and Small Company** • **AOC-4- Filing of financial statements** • **AOC-4 (XBRL)- Filing of financial statements in XBRL format** • **ADT-1- Appointment of auditors**	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 September 2026
CRA-3	Rule 6(5) of Companies (Cost Records and Audit) Rules, 2014	Within 180 days from closure of financial year (i.e., on or before 27th September 2026)
AOC-4 (For One Person Companies)	Section 137 of Companies Act,2013 Rule 12 of the Companies (Accounts) Rules, 2014	27th September 2026
Annual General Meeting	Section 96 of Companies Act,2013	Must be held within 6 months from the closure of the relevant financial year. (i.e., on or before 30th September 2026)

 Copyright © 2026, CimplyFive

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

- **07/08/2026**

Structural Digital Database (SDD) – SEBI (Prohibition of Insider Trading) Regulations, 2015 – Suggested Best Practices

Key Highlights of the NSE circular outlining suggested best practices for listed entities

1. **Maintain SDD**: Record details of UPSI shared, including its nature and the names and PANs/authorised identifiers of persons who share or receive the information.
2. **Strengthen Internal Controls**: Implement and regularly review policies and measures to prevent leakage or misuse of UPSI.
3. **Conduct Awareness Programmes**: Provide periodic training to employees and fiduciaries on the proper handling of UPSI.
4. **Ensure Code of Conduct Compliance**: Effectively implement and monitor adherence to the Code of Conduct under the Insider Trading Regulations.
5. **Adopt Additional Measures** to strengthen controls and achieve the objectives

- **12/08/2026**

Companies (Indian Accounting Standards) Amendment Rules, 2026

Companies (Indian Accounting Standards) Amendment Rules, 2026

MCA has notified the Companies (Indian Accounting Standards) Amendment Rules, 2026, amending Ind AS 101, 107, 109, 110, and 7. Under this amendment, the following changes have been introduced:

1. Amendments to the classification and measurement of financial instruments have been incorporated, applicable for annual reporting periods beginning on or after 1st April, 2026. New disclosure requirements have been prescribed for financial assets and liabilities with contingent cash flow features, including sustainability-linked instruments such as those with carbon emission-linked interest rate adjustments.

2. A new framework for contracts referencing nature-dependent electricity (e.g., wind and solar PPAs) has been inserted, covering scope, hedge accounting, derecognition, and disclosure requirements — including a single-note disclosure of contractual features, unrecognised commitments, and financial performance impact.

3. The derecognition of financial liabilities settled via electronic payment systems has been clarified: a liability may be treated as discharged before the settlement date once a payment instruction is initiated and the entity has no practical ability to withdraw it and the settlement risk is insignificant.

- **24/08/2026**

Frequently Asked Questions (FAQs) on Record Date for Corporate Actions.

BSE has issued FAQs clarifying the requirements for intimation of Record Date for corporate actions by listed entities.

Key Highlights of the Circular:

A. Applicability

1. All listed entities may fix a Record Date for corporate actions under SEBI LODR; for InvITs and REITs, it must be disclosed at least two working days in advance.
2. Fixing a Record Date is not mandatory for AGMs or EGMs, as such meetings are not treated as a corporate action.

B. Filing and Revision

3. Record Date intimation must be filed on the BSE Listing Centre through the designated path for equity or debt-listed scrips, as applicable; filings through any other path will not be taken on record.
4. Revision or cancellation of a Record Date is allowed only through the same designated path, in PDF, at least two working days before the previously intimated Record Date.

C. Recognition of Record Date

5. Only the Record Date is recognised for corporate actions; a Cut-off Date or Book Closure Date will not be

recognised, and non-compliant submissions may attract a fine.

D. Timelines

6. A minimum three working days' gap is required between board or shareholder approval and the Record Date,
7. For capital reduction, schemes of arrangement, restructuring or reorganization, at least seven working days' advance notice is required.
8. Record Date intimation must be given after Board approval (where sufficient) or after shareholder, NCLT, Central Government, SEBI or Exchange approval, ROC filing, or public announcement, as applicable.

E. Queries

9. Queries on Record Date filings should be addressed to the Exchange's Listing Compliance and Operations email.

- **31/08/2026**

Extension of Companies Compliance Facilitation Scheme, 2026 (CCFS-2026)

The MCA has issued a circular extending the validity of the Companies Compliance Facilitation Scheme, 2026 (CCFS-2026), which provides companies an opportunity to complete their pending statutory filings.

The validity of the Companies Compliance Facilitation Scheme, 2026 (CCFS-2026) has been further extended **up to 15th September, 2026**, (which was earlier extended until 31st August 2026)

 Copyright © 2026, CimplyFive

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
1. b
2. b
3. b
4. b
5. a

 Copyright © 2026, CimplyFive



To view the previous issues of *iComply* click here