



**Sanjay Grover &
Associates**
Company Secretaries

SGA CONNECT LEGAL NEWSLETTER

FOR THE MONTH OF

JUNE 2025





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ABOUT US

Sanjay Grover & Associates is a Firm of Company Secretaries, established in 2001, whose constant endeavour is to craft a premier professional practice providing high quality services and integrating value added knowledge, for its people, clients and society as a whole.

The Organization is backed by a team of multi- disciplinary professionals who possess the inherent qualities of converting the challenges into opportunities by sincerity, passion and determination.

The dynamic professionals of the organization are very well exposed in dealing with various regulatory authorities like Registrar of Companies (ROC), Regional Director (RD), Ministry of Corporate Affairs (MCA), National Company Law Tribunal (NCLT), National Company Law Appellate Tribunal (NCLAT), Insolvency and Bankruptcy Board of India (IBBI), Competition Commission of India (CCI), Securities & Exchange Board of India (SEBI), Stock Exchanges, Reserve Bank of India (RBI) etc. The firm works with a progressive mindset and serves its clients with results and quality; it has the zeal and potential to handle challenging and wide range of assignments. For reference, our team profile is available [here](#).

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I. MINISTRY OF CORPORATE AFFAIRS (“MCA”)

a) The Companies (Incorporation) Amendment Rules, 2025 ([Click here for accessing the Circular](#))

- **Date of Applicability:** They shall come into force on the 14th day of July, 2025
- **Applicable entities:** All companies that are required to file Form INC-22A (ACTIVE) under the Companies Act, 2013
- **Brief on amendment:**
 - The Ministry of Corporate Affairs (MCA) notified the Companies (Incorporation) Amendment Rules, 2025 *via* G.S.R. 426(E). These amendments revise aspects of the existing Companies (Incorporation) Rules, 2014.
 - A key highlight of the amendment is the substituting of Form INC-22A (ACTIVE form). Accordingly, Companies will now be required to submit geotagged photos of their registered office with at least one director or KMP visibly present and digitally signing the form.
 - The form also asks for geo-coordinates, latitude and longitude, a valid OTP-verified email ID, and details of directors, auditors, and KMPs. Companies must also provide SRNs of their previous annual filings (AOC-4 and MGT-7/MGT-7A).

- **Actionable, if any:**

Companies required to file INC 22 (ACTIVE form) need to comply with such changes from the effective date and file the latest amended form accordingly.

b) Separate Filing of e-form CSR-2 post the period of transition from MCA21 V2 to V3 ([Click here for accessing the Circular](#))

- **Date of Applicability:** Till the transition phase of the MCA21 portal from Version 2 (V2) to Version 3 (V3) i.e. 18.06.2025 and 13.07.2025.
- **Applicable entities:** All Regional Directors, Registrar of Companies and Stakeholders.
- **Brief on amendment:**
 - The MCA issued notification G.S.R. 317(E) dated 19th May, 2025, vide which an amendment in the 4th proviso to Rule 12(1B) of the Companies (Accounts) Rules, 2014 was done through the Companies (Accounts) Amendment Rules, 2025, effectively allowing for independent filing of e-Form CSR-2.
 - Keeping in view that the MCA V2 system will be decommissioned w.e.f. 18.06.2025, it has been decided by the competent authority that the stakeholders intending to file e-form CSR- 2 as an independent Form with V2 SRN of Form AOC-4/ AOC-4(XBRL)/AOC-4 (NBFC), can file the same in V3 portal from 14th July 2025 to 15th August, 2025.
 - Companies that were unable to file CSR-2 along with AOC-4 due to the MCA21 portal migration (V2 to V3) can now file CSR-2 separately, without re-opening AOC-4. They must ensure accurate CSR disclosures and submit the form within the extended timeframe to remain compliant. This is a one-time relaxation from MCA.
- **Actionable, if any:**

Companies shall avail the relaxation given by MCA within the stipulated timeline.

c) **The Companies (Restriction on number of layers) Amendment Rules, 2025.** [\(Click here for accessing the Circular\)](#)

- **Date of Applicability:** Shall come into force on the 14th day of July, 2025.
- **Applicable entities:** All Companies under the Act.
- **Brief on amendment:**
 - Notification G.S.R. 427(E). In exercise of the powers conferred by proviso to clause (87) of section 2 and subsections (1) and (2) of section 469 of the Companies Act, 2013 (18 of 2013), the Central Government has amended the Companies (Restriction on number of layers) Rules, 2017
 - The amendment defines the rules around the maximum number of layers of subsidiaries a company can have. Originally limited to two layers of subsidiaries. The amendment introduces additional clarifications, exemptions, and compliance expectations.
- **Actionable, if any:**

Companies must review their existing group structure to ensure compliance with the amended layering restrictions.

d) **Companies (Filing of Documents and Forms in Extensible Business Reporting Language) Amendment Rules, 2025.** [\(Click here for accessing the Circular\)](#)

- **Date of Applicability:** Shall come into force on the 14th day of July, 2025
- **Applicable entities:** All Companies covered under XBRL requirements.
- **Brief on amendment:**
 - Notification G.S.R. 371(E). In exercise of the powers conferred by sub-sections (1) and (2) of section 469 read with section 398 of the Companies Act, 2013 (18 of 2013), the Central Government has amended the Companies (Filing of Documents and Forms in Extensible Business Reporting Language) Rules, 2015
 - The amendment specifically updates the list of forms (such as AOC-4 and other financial statements) and may include new classes of companies under the XBRL mandate based on turnover, listing, or regulatory thresholds.
- **Actionable, if any:**

Companies should verify whether they now fall under the revised XBRL filing thresholds. If applicable, they must ensure that their accounting and compliance teams use MCA-prescribed taxonomies.

e) **Relaxation of additional fees for filing of 13 e-forms during the period of transition from MCA21 V2 to V3** ([Click here for accessing the Circular](#))

- **Date of Applicability:** Till the transition phase of the MCA21 portal from Version 2 (V2) to Version 3 (V3) i.e. 18.06.2025 and 13.07.2025 (both dates inclusive).
- **Applicable entities:** All Companies registered under the Companies Act, 2013.
- **Brief on amendment:**
 - The MCA *vide* Annexure to the General Circular No. 01/2025 dated 16.06.2025 File no. Policy-02/1/2023-CL-V-MCA to facilitate a smooth roll out of Annual filing and related e-forms in MCA-21 V3 has granted a waiver of additional fees for the delayed filing of 13 specified e-forms due to system-related issues during the transition from MCA21 Version 2 to Version 3. This relaxation applies to filings made within a specified extended window and aims to support smoother compliance during the portal migration.
- **Actionable, if any**

Companies should identify if any of the 13 specified e forms (as listed in the circular) were filed late due to MCA21 V2 to V3 transition. If yes, they should ensure that these filings are submitted within the extended window to avail the waiver of additional fees. It's also important to retain proof of system errors or attempted filings during the affected period, if applicable.

II. SECURITIES AND EXCHANGE BOARD OF INDIA (“SEBI”)

a) **Limited relaxation from compliance with certain provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.**
[\(Click here for accessing the Circular\)](#)

- **Applicable Entities:** Entities with listed non-convertible debt securities.
- **Date of Applicability:** Come into effect from the June 05, 2025 i.e., date of this circular.
- **Brief on Amendment:**
 - SEBI, *vide* circular dated October 06, 2023, had relaxed the applicability of Regulation 58(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“LODR Regulations”) till September 30, 2024 based on the relaxations provided by the Ministry of Corporate Affairs (MCA) vide General Circular no. 09/2023 dated September 25, 2023.
 - Previously, from October 1, 2024 to June 5, 2025, entities were allowed to completely forgo sending such hard copies without any compliance risk or penal consequences. This exemption was unconditional and aimed at easing operational burdens as markets transitioned further toward digitized communication.
 - Now, from June 6 to September 30, 2025, SEBI is allowing the relaxation to continue — but with a safeguard. Issuers must ensure that they publish a financial advertisement under Regulation 52(8), and that such advertisements include a clear web link where holders can access the financial statements and key features of documents as specified in Section 136 of the Companies Act, 2013. This clause ensures that even if physical statements aren’t sent, investors can still view and retrieve them digitally.
- **Actionable, if any:**

Issuers to continue non-sending of physical copies without penalty until September 30, 2025. During this period, they must insert web-link disclosures in advertisements to fulfill access obligations.

b) **Industry Standards on “Minimum information to be provided to the Audit Committee and Shareholders for approval of Related Party Transactions”** ([Click here for accessing the Circular](#))

- **Date of Applicability:** Extended the timeline for applicability of the Industry Standards to July 01, 2025.
 - **Applicable entities:** All Listed entities.
 - **Brief on amendment:**
 - Regulation 23(2), (3) and (4) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“LODR Regulations”) require related party transactions (“RPTs”) to be approved by the audit committee and by the shareholders, if material. Part A and Part B of Section III-B of SEBI Master Circular dated November 11, 2024 (“Master Circular”) specify the information to be placed before the audit committee and shareholders, respectively, for consideration of RPTs.
 - SEBI, in consultation with ASSOCHAM, CII, FICCI and stock exchanges (via the Industry Standards Forum), prescribed a uniform standard format for disclosure of RPT information to both the Audit Committee and shareholders.
- A. Disclosure to the Audit Committee:** Listed entities must include in the Audit Committee agenda-
- ✓ Nature & material terms of the RPT.
 - ✓ Identity & relationship of the related party.
 - ✓ Transaction tenure & value.
 - ✓ Turnover percentage (of listed entity / subsidiary) relating to the RPT.
 - ✓ For loans/advances/investments: funding source, cost, tenure, interest, security, repayment, and end-use.
 - ✓ Rationale: why the RPT serves the listed entity’s interests.
 - ✓ Valuation or external report, if applicable.
 - ✓ Optionally: percentage of counterparty’s turnover & any other relevant information.
 - ✓ Annual review for long-term or recurring RPTs.

B. Disclosure to Shareholders (Explanatory Statement)

In addition to statutory requirements under the Companies Act, the explanatory statement must include:

- ✓ Summary of information submitted to the Audit Committee (as above).
 - ✓ Justification for entity interest.
 - ✓ Full details (source, cost, tenure, etc.) for loans, advances, investments.
 - ✓ Confirmation that valuation/external reports will be emailed to shareholders.
- **Actionable, if any:** Shareholder notices for RPTs must reflect the detailed disclosures in the explanatory statement. Verification of applicability based on:
 - RPT entry dates (after 1 April 2025).
 - Approval/notice dispatch dates (after 1 April or 1 July 2025 as applicable).
 - For material modifications to prior-approved RPTs, the standards are triggered if modifications occur on or after 1 April 2025.

III. STOCK EXCHANGES (“BSE” & “NSE”)

a) The changes in the bidding process (New Process) for SME IPOs pursuant to the amendments to SEBI (ICDR) (Amendment) Regulations, 2025 ([Click here for accessing the Circular](#))

- **Date of Applicability:** July 1, 2025 (For SME IPOs opening on or after this date).
- **Applicable entities:** Give name of entities.
- **Brief on amendment:**
 - NSE has adopted the revised bidding framework for SME IPOs as mandated by the SEBI ICDR (Amendment) Regulations, 2025 (effective March 4, 2025). Key updates, aimed at enhancing transparency, discipline, and alignment with mainboard norms, include:
 - Investor Category Redefined: The “Retail Individual Investor” category is replaced by a broader “Individual Investor” classification, effectively merging previous retail and HNI segments
 - Minimum Application Requirement: Applicants must bid for a minimum of two lots, with a lower bound of ₹2 lakh per application. Single-lot bids will no longer be allowed.
 - Elimination of Cut-off Option & Bid Finality: Bidding at the cut off price is disallowed for all categories. Once submitted, bids cannot be cancelled or revised downward.
 - Revised Timeline: On the final bidding day, bids close at 4:00 p.m., followed by UPI mandate confirmation cut-off at 5:00 P.M.
 - HNI & NII Allotment Method: Alignment with mainboard allotment practices: HNI/NII categories, including Individual Investors, will transition from proportional allotment to a lottery-based system in case of oversubscription.
- **Actionable, if any:**

Brokers & Registrar Systems must modify bidding platforms to enforce the ₹2 lakh minimum, disable cut off bids, restrict bid changes, and adjust bid/UPI deadline

IV. RESERVE BANK OF INDIA (“RBI”)

a) Review of Qualifying Assets Criteria ([Click here for accessing the Circular](#))

- **Date of Applicability:** Come into effect from the date of this circular. Give date of Circular
- **Applicable entities:** All Non-Banking Financial Companies - Microfinance Institutions.
- **Brief on amendment:**
 - Referring to paragraph 8.1 of the [Master Direction - Reserve Bank of India \(Regulatory Framework for Microfinance Loans\) Directions, 2022 dated March 14, 2022](#) which prescribes Qualifying Assets Criteria for Non-Banking Financial Companies - Microfinance Institutions. On a review, it has been decided to revise the qualifying asset criteria and the amended paragraph 8.1 of the Master Direction.
 - Qualifying assets of NBFC-MFIs shall constitute a minimum of 60 percent of the total assets (netted off by intangible assets), on an ongoing basis. If an NBFC-MFI fails to maintain the qualifying assets as aforesaid for four consecutive quarters, it shall approach the Reserve Bank of India with a remediation plan for taking a view in the matter
- **Actionable, if any:** NBFC-MFIs are required to maintain at least 60% of their total assets as qualifying assets on an ongoing basis. If this requirement is not met for four consecutive quarters, the NBFC-MFI must submit a remediation plan to the RBI.

V. INTERNATIONAL FINANCIAL SERVICES CENTRES AUTHORITY (“IFSCA”)

a) Amendment to the ‘Framework for Finance Company/Finance Unit undertaking the activity of Global/ Regional Corporate Treasury Centres’. [\(Click here for accessing the Circular\)](#)

- **Applicable Date:** Circular datedshall come into force with immediate effect.
- **Applicable Entities:** All Finance Companies/Finance Units.
- **Brief on Amendment:**
 - Reference may be drawn to the International Financial Services Centres Authority (Finance Company) Regulations, 2021 (‘FC Regulations’) and the ‘Framework for Finance Company/Finance Unit undertaking the activity of Global/ Regional Corporate Treasury Centres’ (‘GRCTC Framework’) issued thereunder vide Circular No. IFSCA/24/2024-Banking-FC/01, dated April 04, 2025
 - A new proviso empowers the IFSCA Chairperson, upon request, to waive the requirement for at least five qualified personnel (including a Head of Treasury and Compliance Officer) during the first year of operations, based on the applicant’s business plan and projected volume.
- **Actionable, if any:** If you’re applying to set up a GRCTC, and you can’t immediately staff five IFSC-based professionals, formally request a waiver from the IFSCA Chairperson, but to get this waiver, they must:
 - Prepare a justification outlining proposed activities and business volume.
 - If approved, operate under this waiver for up to one year from commencement.

b) Framework for Finance Company/Finance Unit undertaking the activity of Global/ Regional Corporate Treasury Centres ([Click here for accessing the Circular](#))

- **Date of Applicability**: The updated framework is effective immediately on issue of Circular dated June 09, 2025
- **Applicable entities**: All Finance Companies/Finance Units.
- **Brief on amendment**:
 - The GRCTC framework allows eligible entities to centralize treasury operations of their global or regional group entities in GIFT IFSC.
 - It covers services like cash pooling, liquidity management, forex and interest rate risk management, inter-company financing, and investment of surplus funds.
 - IFSCA outlines capital requirements, fit and proper criteria, reporting obligations, and operational guidelines to ensure transparency and financial discipline.
 - The goal is to position GIFT City as a competitive global treasury hub for MNCs and large corporates looking to optimize financial operations and regulatory advantages.
- **Actionable, if any**: The Applicable Entities are required to take note of this amendment and accordingly revise their compliance and disclosure regimes.

c) **Recommendations for streamlining the incorporation process of IFSC Companies-reg.** [\(Click here for accessing the Circular\)](#)

- **Date of Applicability:** Effective from the date of issuance by IFSCA.
- **Applicable entities:** All entities seeking to incorporate as companies in GIFT City IFSC.
- **Brief on amendment:**
 - The circular outlines a series of recommendations and operational measures to simplify and accelerate the process of incorporating companies in the IFSC.
 - It focuses on enhancing the ease of doing business by proposing digitization of approvals, streamlined timelines, and coordinated inter-agency processes.
 - The document suggests removing redundancies, reducing documentation, and establishing clear, time-bound service-level agreements between involved authorities. The goal is to make GIFT City a seamless destination for both Indian and global businesses looking to establish operations under a single regulatory window.
- **Actionable, if any:** Companies looking to incorporate in GIFT IFSC should stay updated with the latest procedural changes and begin aligning their incorporation processes accordingly.

d) **Guidance on submission of requests pertaining to changes requiring prior approval/ intimation to the Authority.** ([Click here for accessing the Circular](#))

- **Date of Applicability:** The provisions of this Circular dated July 01, 2025 shall come into force with immediate effect.
- **Applicable entities:** All Finance Companies / Finance Units.
- **Brief on amendment:**
 - Reference may be drawn to the International Financial Services Centres Authority (Finance Company) Regulations, 2021 ('FC Regulations'), which requires a Finance Company/ Unit (FC/FU) to obtain prior approval or to intimate the Authority in certain cases.
 - This circular introduces a standard operating procedure to streamline how entities submit requests related to name changes, shareholding patterns, key management personnel, business activities, ownership, and control.
 - It categorizes changes based on whether prior approval or simple intimation is needed and outlines clear documentation requirements, timelines, and escalation protocols. The SOP aims to ensure transparency, reduce processing delays, and maintain regulatory oversight while supporting business flexibility within GIFT IFSC.
- **Actionable, if any:** Entities must review their ongoing or upcoming structural or operational changes and assess whether they fall under approval required or intimation only categories.

VI. COMPLIANCE CALENDER FOR THE MONTH OF JULY 2025

S.No	Compliance	Due Date	Provision of Law
1.	Disclosure of Quarterly Shareholding Pattern	Within 21 days from the end of quarter.	Pursuant to Regulation 31 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
2.	Share Capital Audit	Within 30 days from quarter end.	Regulation 76 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
3.	Integrated Filing (Governance)	Within 30 days from the end of the quarter.	Regulation 27(2)(a) of the SEBI Listing Regulations.
4.	FLA Return	On or before July 15, 2025.	FEMA Act.
5.	DNBS04B-Structural Liquidity & Interest Rate Sensitivity: <i>(To capture (i) The details of mismatch in projected future cash inflows and outflows based on the maturity pattern of assets and liabilities at the end of the reporting period for NBFCs-NDSI; (ii) The details of interest rate risk.).</i>	Within 15 days from June 30, 2025 (being the reference date).	Master Direction – Reserve Bank of India (Filing of Supervisory Returns) Directions – 2024.
6.	DNBS08-CRILC Main Return- Monthly <i>(To capture credit information on aggregate exposure of ₹5 Crore and above to a single borrower.)</i>	Within 15 days from June 30, 2025 (being the reference date)	Master Direction – Reserve Bank of India (Filing of Supervisory Returns) Directions - 2024



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Thank You!

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