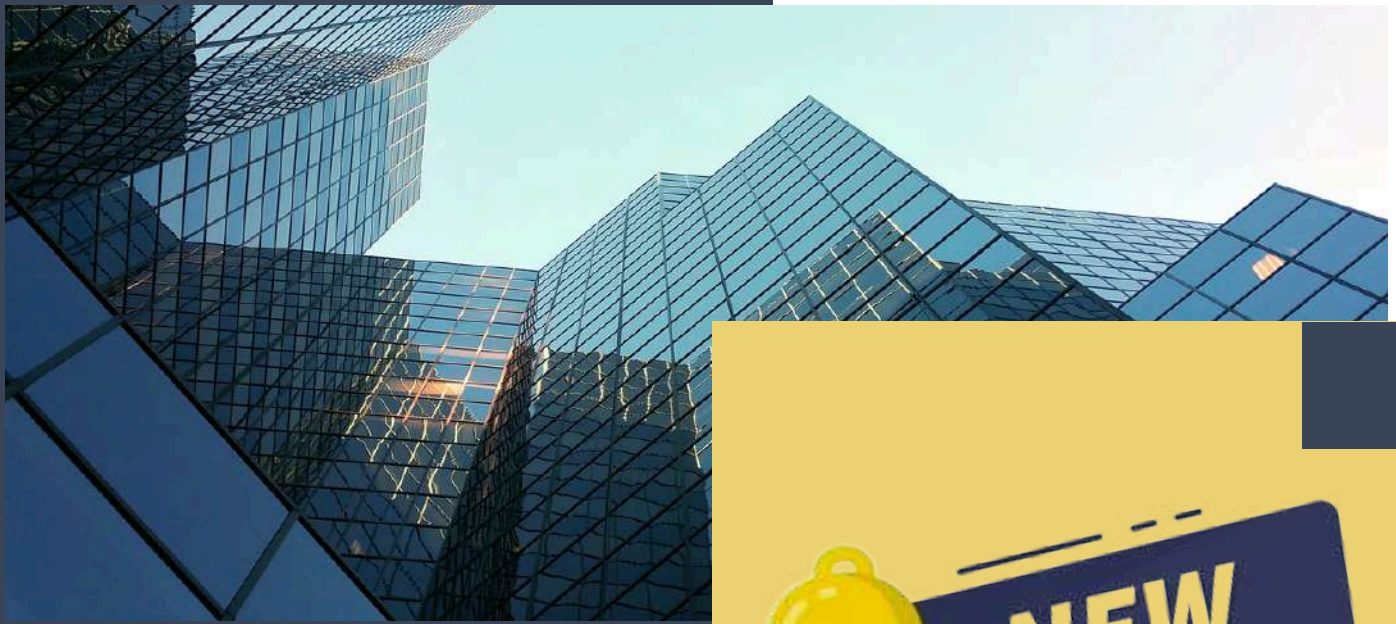


# AKANSHA RATHI & ASSOCIATES (ARACS)

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Tuesday, December 09, 2025



## Key Updates

Company Law (pg 03-04)

SEBI (Pg 05)

FEMA ( pg 06)

IBC (Pg 07-08)

Case Law (Pg 09-11)

Insights (Pg 12)

Due Dates (Pg 13)



Company Law | POSH Consultant | Trademark Registration | Foreign Direct Investment | Drafting of Funding Agreements | Insolvency

# AKANSHA RATHI & ASSOCIATES (ARACS)

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Tuesday, December 09, 2025

70th Edition



## COMPANY LAW

- Companies (Meetings of Board and its Powers) Amendment Rules, 2025
- Amendment to Companies (specification of definition details)

## SEBI

- Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Fifth Amendment) Regulations, 2025

## FEMA

- Compounding of Contraventions under FEMA, 1999

## IBC

- Discussion Paper on Proposed Guidelines for Conducting Valuation under the Insolvency and Bankruptcy Code, 2016
- Insolvency and Bankruptcy Board of India (Insolvency Professionals) (Second Amendment) Regulations, 2025

## CASE LAW

- Supreme Court ruling on Sterling case
- Penalty for Delay in Filing Form MR-2 Non-Resident Director Appointment
- ROC Fines Company for Not Printing Registered Office Details on Letterheads

# Companies Act 2013



## COMPANY LAW

Amendment notified on November 3, 2025,

Amended definition of “business of financing industrial enterprises” for the purposes of Section 186(11) (a) of the Companies Act, 2013.

Under the new definition, the term now covers:

1. Finance Companies registered with IFSCA – undertaking activities specified under certain sub-clauses of Regulation 5(1)(ii) of the IFSCA (Finance Company) Regulations, 2021, in the ordinary course of business.

[Click here for Notification](#)

# Companies (Meetings of Board and its Powers) Amendment Rules, 2025



# Companies Act 2013



## COMPANY LAW

Effective 1st December 2025

Small company definition threshold increased to Rs 10 crores and Rs 100 Crores for paid up capital and turnover respectively.

Exclusions remain the same: Public companies, holding/subsidiary companies, Section 8 companies, and companies under special Acts cannot be treated as Small Companies.

[Click here for Notification](#)

Amendment  
to Companies  
(specification  
of definition  
details)

DEFINITION OF  
SMALL  
COMPANY



## SEBI

- Subsidiaries directors and KMP and also their relatives bought under the ambit of Related party
- Materiality threshold linked to newly inserted Schedule XII to the LODR Regulations instead of 1000 Crore or 10% of turnover
- Subsidiary level related party transactions meeting the criteria also require audit committee approval of the listed entity

[Click here for Amendment](#)

# Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) (Fifth Amendment) Regulations, 2025





## Compounding of Contraventions under FEMA, 1999

### FEMA

- RBI has updated the Master Directions on FEMA Compounding (effective April 22, 2025).
- New bank account details have been introduced for payment of: Compounding application fee & Compounding amount
- Payments must now be made through NEFT/RTGS to the revised account (given in updated Annexure I).
- Authorised Persons must inform their customers of the new remittance details.
- Issued under Sections 10(4) and 11(1) of FEMA, 1999.



[Click here for Amendment](#)



# Discussion Paper on Proposed Guidelines for Conducting Valuation under the Insolvency and Bankruptcy Code, 2016.

## Insolvency and Bankruptcy Code

Discussion paper is proposed for standardized guidelines for conducting valuations

Need to disclose valuation risks, any conflict of interest

Public suggestions invited till 10th December

Aims to bring consistency, transparency, and reliability in valuations

[Click here for Discussion Paper](#)





## IBC

Effective 21 November 2025.

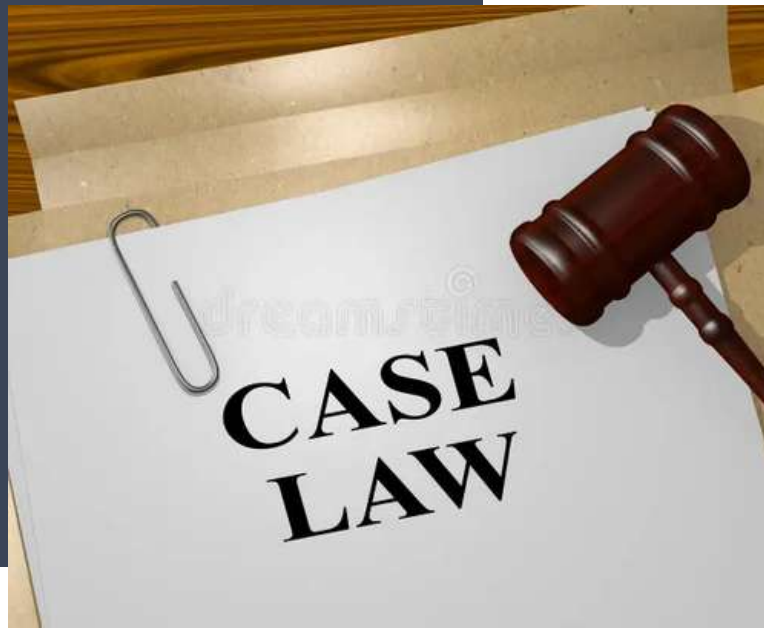
The amendment moves maximum assignment limits from the IP Code of Conduct to the main IP Regulations, capping the total number of simultaneous assignments an individual IP can handle—including roles as IRP, RP, or Liquidator—to 10 assignments, with a limit of 3 assignments exceeding ₹1,000 crore each.

This aims to improve efficiency, prevent conflicts of interest, and ensure quality in insolvency proceedings.

[Click here for Amendment](#)

# Insolvency and Bankruptcy Board of India (Insolvency Professionals) (Second Amendment) Regulations, 2025





## CASE LAW

- ROC Mumbai penalized Hexaware Technologies Limited and its officers for a 57-day delay in filing Form MR-2 for the re-appointment of their non-resident CEO and Whole-Time Director.
- The delay, caused during the MCA portal transition from V 2 to V3, Although the Company had made diligent effort by raising tickets with the MCA helpdesk, filing was done with delay.
- Under Section 450, the ROC imposed a ₹66,000 penalty on the company and ₹50,000 on each officer in default.
- The company is not a Small Company, so reduced penalties do not apply.
- Penalties must be paid via the MCA e-Adjudication portal within 90 days.

[Click here for Order](#)

# Penalty for Delay in Filing Form MR-2 for Non-Resident Director Appointment





## CASE LAW

penalty imposed on a company for failing to print its registered office address on official letterheads, in violation of Section 12(3)(c) of the Companies Act, 2013.

As per Section 12(3)(c), name, address of registered office, CIN number, telephone number, fax, email and website is required

Application made Suo motu by the company

Maximum penalty was imposed on the Company and MD

ROC Fines  
Company for  
Not Printing  
Registered  
Office Details  
on Letterheads





# Supreme Court ruling on Sterling case: impact on other fraud cases

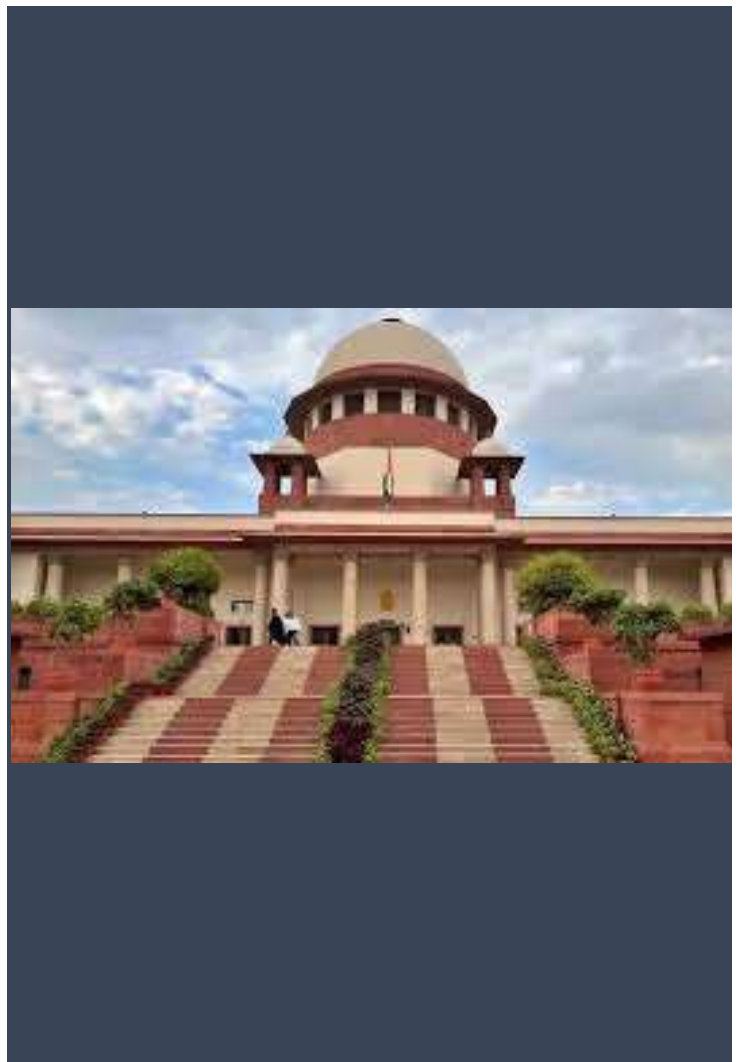
## CASE LAW

SC approved a ₹5,100 crore settlement by the Sandesara brothers in the Sterling Biotech bank-fraud case, quashing all criminal and enforcement proceedings against them upon payment.

Government has initiated a review to examine the ruling's implications for other high-value economic-offense cases, amid concerns that similar settlement routes could be sought by other defaulters.

IBC Code would lose its power if this ruling implemented in other fraud cases

[Click here for Order](#)



# Insights

- [Click here to read our latest article on Compounding under Foreign Exchange and Management Act 1999](#)



# DATES

December 2025						
M	T	W	T	F	S	S
1	2	3	4	5	6	7
8	9	10	11	12	13	14
15	16	17	18	19	20	21
22	23	24	25	26	27	28
29	30	31				

## December 2025

- 31st December 2025-  
Convening first AGM of the Company.

- 31st December 2025-  
RBI APR (Annual Performance Report) for Overseas Investment.

- 31st December 2025-  
Filing Form AOC-4 (Financial Statements) and MGT 7/MGT 7A for the financial year 2024-25