

# AKANSHA RATHI & ASSOCIATES (ARACS)

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Saturday, March 07, 2026

73<sup>rd</sup> Edition



## Key Updates

- MCA (pg 4)
- Case Law (pg 5 to 9)
- DPIIT (pg 10)
- RBI directions for NBFC (pg 11 to 13)
- IBC (pg no. 14-18)
- Other Updates (pg no. 19)
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Company Law | POSH Consultant | Trademark Registration | Foreign Direct Investment | Drafting of Funding Agreements | Insolvency

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## CASE LAW

- Mere touching does not constitute outraging modesty
- Class Action Suit against Jindal PolyFilms
- RBI imposes FEMA compounding penalty on Paytm
- Corporate Debtor's ability to pay Debt not to be considered before admitting Insolvency Petition
- Supreme Court Curbs Excessive Judicial Review in IBC

## MCA

- Companies Compliance Facilitation Scheme, 2026

## DPIIT

- Revised Startup Recognition Framework

## RBI DIRECTIONS FOR NBFC

- Proposed Compliance for low risk NBFC
- RBI NBFC (Responsible Business Conduct) Second Amendment Directions, 2026

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## Insolvency and Bankruptcy Code

- Bankruptcy Process for Personal Guarantors to Corporate Debtors (Amendment) Regulations, 2026
- Pre-Packaged Insolvency Resolution Process (Amendment) Regulations, 2026
- Voluntary Liquidation Process (Amendment) Regulations, 2026
- Liquidation Process (Second Amendment) Regulations, 2026
- Insolvency Resolution Process for Corporate Persons (Amendment) Regulations, 2026.

## Other Updates

- MoSPI Releases the National Industrial Classification (NIC) – 2025



सत्यमेव जयते

**M** MINISTRY OF  
**C** CORPORATE  
**A** AFFAIRS

GOVERNMENT OF INDIA

# Companies Compliance Facilitation Scheme, 2026

## MCA Update

- Companies can complete their pending annual filings by paying only 10% of fees, dormant company status can be applied by paying only 50% of fees and striking off the company can be done on payment of 25% of fees.
- Scheme valid from 15<sup>th</sup> April till 15<sup>th</sup> July 2026.
- After 15<sup>th</sup> July, ROC will take action against non-compliant companies.

[Click here for Order](#)



MINISTRY OF  
CORPORATE AFFAIRS



## CASE LAW

- A complaint was filed by a Founder against IIT Guwahati professor who was also her mentor too.
- After a Departmental Inquiry exonerated the respondent, the complainant filed an FIR
- High Court said that 'mens rea' and 'force' were absent, as required under Sections 350 and 351 of the IPC, and that the complaint was filed in retaliation

Mere touching does not constitute outraging modesty



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## Companies Act, 2013



### CASE LAW

- The petition was filed under Section 245 of the Companies Act, 2013, which allows members or depositors to file a class action suit if they believe the management or conduct of the company's affairs is prejudicial to the interests of the company or its members.
- Petitioners collectively hold 4.99% of the issued share capital of the
- The Tribunal directed the petitioners to publish a public notice in accordance with Rule 87 of the NCLT Rules, 2016, and issue notice to the Respondents and non-applicants.
- Next hearing is listed on 02.04.2026.

[Click here for Order](#)

## Class Suit Action against Jindal Poly Films

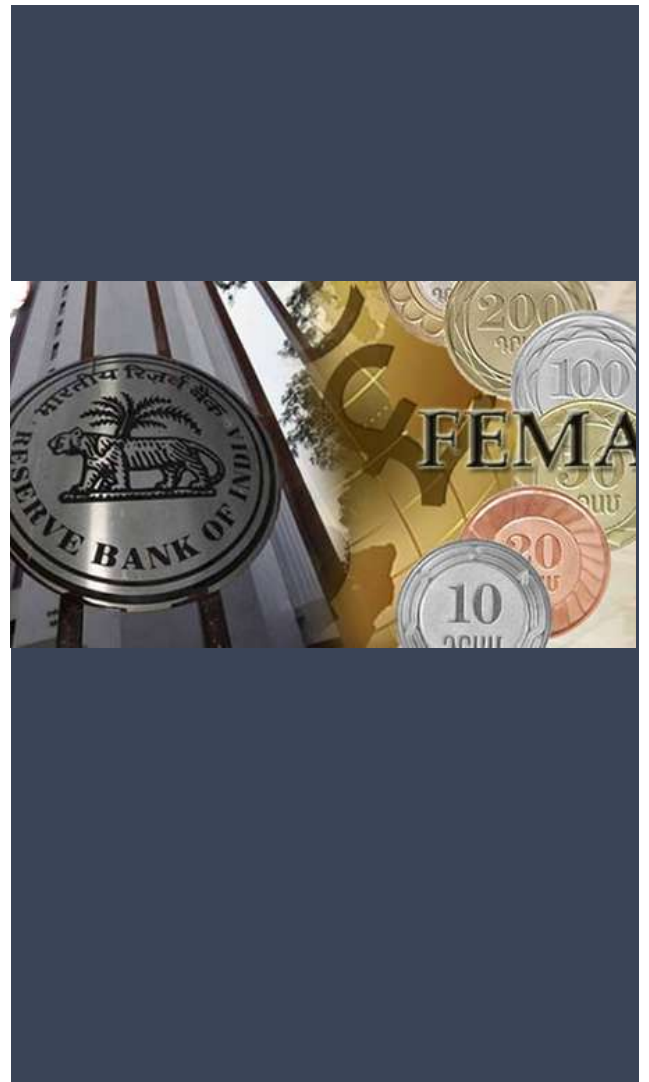




# RBI Imposes FEMA Compounding Penalty On Paytm

## CASE LAW

- The contraventions involved non-compliance with FEMA regulations concerning foreign investment, with an underlying transaction value of approximately ₹33 crore.
- The RBI issued a compounding order, allowing Paytm to settle the violations by paying a ₹18.76 lakh penalty rather than facing extended legal action.
- Paytm stated the payment will be made, and this action will not have a material impact on its financial position or operations.
- The compounding fee is a mechanism to resolve regulatory violations amicably under FEMA provisions.





## CASE LAW

- In Power Trust (Promoter of Hiranmaye Energy Ltd.) v. Bhuvan Madan (IRP) (18 Feb 2026), the Supreme Court upheld the NCLT's decision admitting REC Ltd.'s Section 7 application.
- The Court clarified that at the admission stage, the adjudicating authority only needs to determine the existence of a financial debt and default, not examine the corporate debtor's commercial viability.
- It also held that the proposed restructuring did not reset the date of default or bar insolvency proceedings under Section 10A.

[Click here for Order](#)

Corporate  
Debtor's ability  
to pay debt not  
to be  
considered  
before  
admitting  
Insolvency  
Petition



## CORPORATE INSOLVENCY RESOLUTION PROCESS



### CASE LAW

- The Court agreed with the NCLT and NCLAT that there was no improper or illegal change in SEML's resolution plan after bidding closed.
- This ruling reinforces the IBC's core objective: efficient, creditor-driven insolvency resolution with courts playing a supervisory (not reassessment) role.
- The Apex Court observed that mere dissatisfaction of an unsuccessful bidder does not amount to a statutory violation.

[Click here for Order](#)

# Supreme Court Curbs Excessive Judicial Review in IBC



# Revised Startup Recognition Framework



## DPIIT

- Post the ambitious Union Budget, the Government is supercharging 'Make in India' by revamping **DPIIT's Startup Recognition criteria.** :

-Turnover limit hiked from ₹200 cr to ₹300 cr for Deep Tech Startups, extended tenure up to 20 years for these innovators.

-Turnover limit hiked from ₹100 crore to ₹200 crore for startups in other sectors.

-New inclusions: Agri driven Co-operative Societies now eligible.

- This move aims to turbocharge domestic production. foster innovation, and empower rural economies. A game-changer for entrepreneurs, compliance officers, and investors alike.

[Click here for Order](#)

Start-up India, Standup India' in an initiative to boost startups and innovation in India.

### ACTION PLAN

bankbaaar.com



# Proposed compliance for Low Risk NBFC

## NBFC

- RBI has released draft amendments to the NBFC Registration and Scale-Based Regulation framework.

- Key Highlights from the draft:

- Exempt Type I NBFCs (no public funds, no customer interface and assets less than or equal to Rs 1000 Crores) from mandatory registration

- Applies to both new entrants and existing registered Type I NBFCs.

- Aims to ease compliance for smaller, low risk players

- Draft is open for comments till March 04, 2026. RBI has also released FAQs for clarity.

[Click here for Draft](#)





# RBI NBFC (Responsible Business Conduct) Second Amendment Directions, 2026

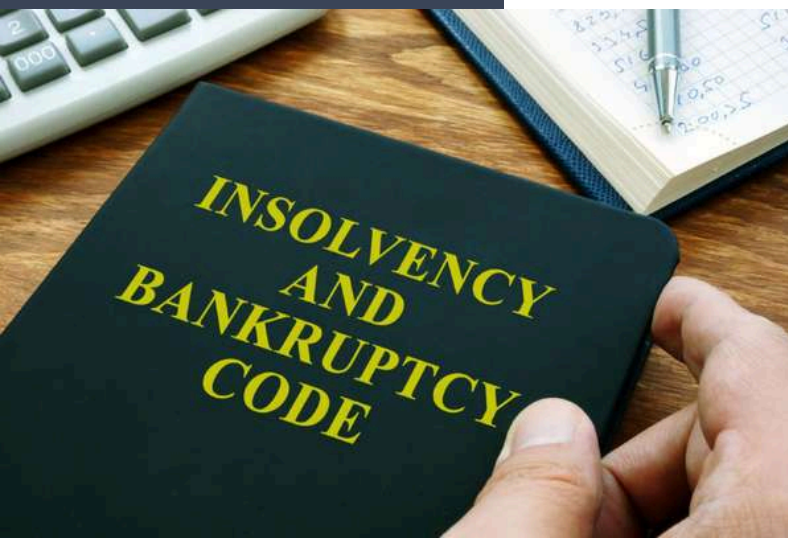
## NBFC

- Applies to NBFCs dealing with customers (certain categories excluded)
- Introduces detailed norms for loan recovery practices
- Requires Board-approved loan recovery policy
- Mandatory due diligence and background checks of recovery agents
- Recovery agents must be certified by Indian Institute of Banking & Finance (IIBF)
- Code of Conduct to be enforced for recovery agents and staff.

[Click here for Draft](#)







## IBC

- The phrase “internationally accepted valuation standards” has been replaced with “valuation standards as notified by the Board through circular.”
- The amendment requires a registered valuer to prepare the valuation report and maintain related documentation strictly in the format specified by the Board through circulars, thereby standardising reporting requirements and enhancing transparency, consistency, and regulatory oversight.

[Click here for Order](#)

# Bankruptcy Process for Personal Guarantors to Corporate Debtors (Amendment) Regulations, 2026



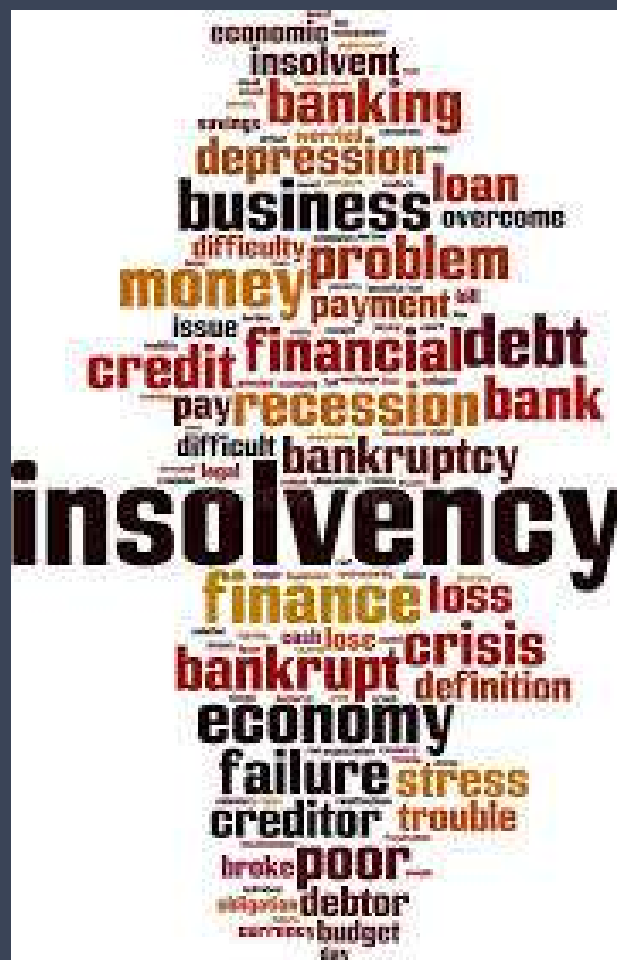


# Pre-Packaged Insolvency Resolution Process (Amendment) Regulations, 2026

## IBC

- In the pre-pack insolvency process, registered valuers shall be appointed for each asset class, with one coordinating valuer in each set overseeing the valuation.
- Each valuer shall physically verify the assets and submit reports on fair value and liquidation value as per standards notified by the IBBI.
- The final fair value and liquidation value of the corporate debtor shall be calculated by averaging the estimates submitted by the valuers, ensuring transparency and accuracy.

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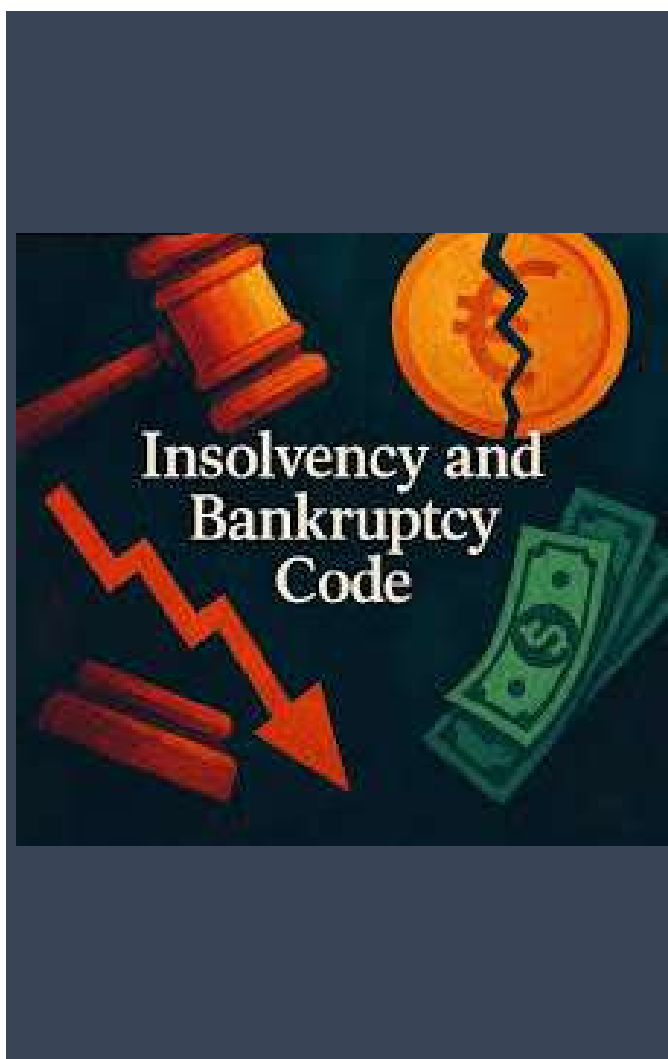


## IBC

- These amendments require registered valuers to prepare valuation reports and maintain documentation in the format notified by the Board through circulars.
- They aim to standardize reporting and improve transparency in voluntary liquidation proceedings. The regulations come into effect from the date of publication in the Official Gazette.

[Click here for Order](#)

# Voluntary Liquidation Process (Amendment) Regulations, 2026

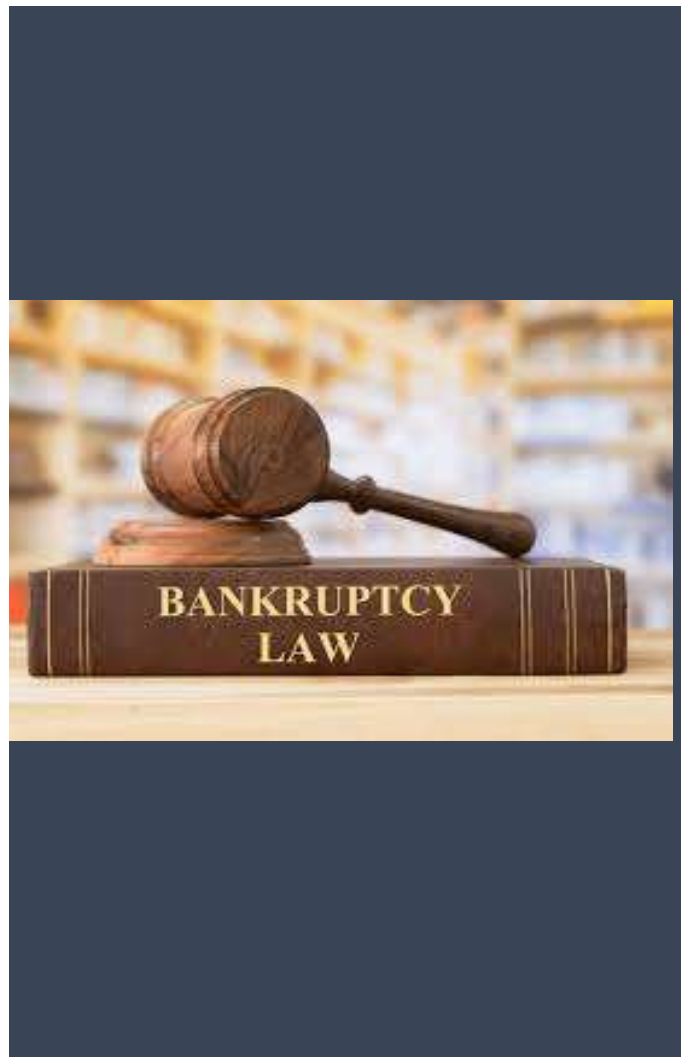




# Liquidation Process (Second Amendment) Regulations, 2026

## IBC

- Registered valuers shall ensure that all valuation reports and supporting documentation in liquidation proceedings strictly follow the formats and standards notified by the IBBI through circulars to maintain compliance and transparency.



[Click here for Order](#)

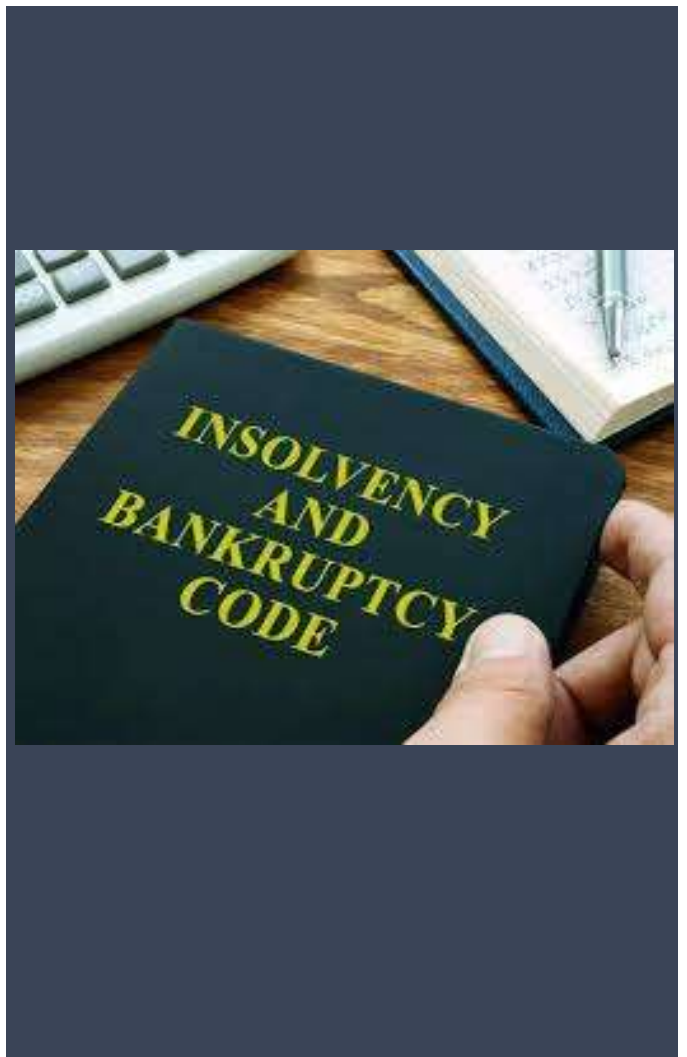


## IBC

- Resolution professionals must appoint two sets of registered valuers within seven days of appointment to determine fair value and liquidation value.
- A third set of valuers may be appointed if estimates differ by 25% or more, or if the committee requests.
- Resolution professionals shall ensure that **resolution plans for real estate projects explicitly provide for the treatment of allottees who have not submitted claims, as detailed in the information memorandum**, to comply with Regulation 38A and protect stakeholder interests.

[Click here for Order](#)

# Insolvency Resolution Process for Corporate Persons (Amendment) Regulations, 2026.



# MoSPI Releases the National Industrial Classification (NIC) – 2025



## Other Updates

- Industrial classification expanded from 5-digit to 6-digit level for better activity identification.
- New categories added for digital services, technology platforms, renewable energy, and other emerging sectors.
- Alignment with international classification standards for improved data comparability.
- Expected to improve accuracy in reporting, policy formulation, and business classification.

[Click here for Order](#)



# Insights

- [Click here to read our latest article on Statutory Auditors under Companies Act,2013.](#)



- [Click here to read our latest article on SAFE Notes and their acceptability under FEMA](#)



March 2026						
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30	31					



## March 2026

- CSR Obligation of at least two per cent. of the average net profits of the company made during the three immediately preceding financial years.
- Quarterly Board Meeting.
- Annual Director Disclosures – MBP 1 and DIR 8.