



Monthly Newsletter

SARVAANK
ASSOCIATES

01st March to 31st March 2026



Ministry of Corporate Affairs

MCA notifies amendment to Companies (Accounting Standards) Rules, 2021, Notification dated: 10th March, 2026

The Ministry of Corporate Affairs, vide Notification G.S.R. 169(E) dated March 10, 2026, issued under Section 133 read with Section 469 of the Companies Act, 2013, has amended the Companies (Accounting Standards) Amendment Rules, 2021 with a view to align Indian accounting requirements with OECD's global tax reform framework under the Pillar Two Model Rules, which introduce a global minimum tax regime. The amendment expands the scope of AS-22 to include taxes arising from Pillar Two rules, such as the Qualified Domestic Minimum Top-Up Tax, but simultaneously provides a significant exception by prohibiting the recognition or disclosure of deferred tax assets and liabilities in respect of such taxes. Certain disclosure relaxations have also been granted to Small and Medium Companies to reduce compliance burden.

The Notification can be accessed [Here](#).

In this newsletter you can expect:

MCA notifies amendment to Companies (Accounting Standards) Rules, 2021

Reserve Bank of India introduces RBI (NBFC – Concentration Risk Management) Second Amendment directions,

SEBI introduces voluntary lock-in/debt freeze facility for Mutual Fund folios,

MEITY amends the Electronics and Information Technology Goods (Requirements for Compulsory Registration) Order, 2021.

Ministry of Finance amends the Securities Contracts (Regulation) Rules, 1957,

IRDAI notifies transitional arrangements relating to payment of annual fee and registration for intermediaries,



Insolvency and Bankruptcy Board of India

IBBI notifies forms to ease compliance burden for Insolvency Professionals during resolution process for Personal Guarantors to Corporate Debtors, Circular dated: 06th March 2026

The Insolvency and Bankruptcy Board of India vide its circular dated March 06th, 2026 introduced a standardized, electronic reporting framework designed to closely monitor the insolvency resolution processes of Personal Guarantors to Corporate Debtors. The present circular mandates Resolution Professionals to submit designated web-based forms on the IBBI portal at critical milestones of the PG insolvency lifecycle. This directive allows transitioning from a manual update system to a structured digital compliance regime and facilitate systematic and transparent record-keeping, and reduce delays.

The Circular can be accessed [Here](#).

Reserve Bank of India

Reserve Bank of India introduces RBI (NBFC – Concentration Risk Management) Second Amendment directions, Circular dated: 10th March, 2026

The Reserve Bank of India vide Circular dated March 10th, 2026 clarified the definition and treatment of Tier 1 capital and owned funds for compliance with credit and investment concentration norms for NBFCs. The revised provisions align the definitions of “Owned Fund” and “Tier 1 Capital” with those provided in the NBFC Prudential Norms on Capital Adequacy Directions, 2025. The amendment also mandates that NBFCs must obtain an external auditor’s certificate after capital augmentation before recognizing additions to capital funds for the purpose of concentration norm compliance. Additionally, the applicable Tier 1 capital for meeting exposure limits must be determined based on the NBFC’s latest available financial statements, whether audited or subject to limited review.

The Circular can be accessed [Here](#).

RBI introduces RBI (Core Investment Companies) Amendment Directions, 2026, Circular dated: 10th March 2026

The RBI vide Circular dated March 10th, 2026 amended the existing Master Directions to modify computation criteria of Owned Funds (Tier 1 Capital) for Core Investment Companies (CICs), allowing CICs to include auditor-reviewed quarterly profits in their free reserves, subject to the deduction of average historical dividends and current-year losses. Additionally, the amendment clarifies that tangible Right-of-Use (ROU) assets no longer need to be deducted from the capital base. These regulatory changes enable CICs to bolster their reported Owned Funds mid-year, without having to wait for the finalization of their audited annual statements.

The Circular can be accessed [Here](#).

RBI reviews and amends reporting requirements for returns pertaining to External Commercial Borrowings, Circular dated: 30th March 2026

The Reserve Bank of India, vide circular dated March 30th 2026 refines the compliance and penalty framework



for External Commercial Borrowings (ECB). The present circular reclassifies Form ECB 1 and Revised Form ECB 1 as non-flow returns for Late Submission Fee (LSF) calculations and clarifies that delayed Form ECB 2 submissions will incur fixed LSF charges on a per-return basis. Additionally, the amendment imposes a strict seven-day deadline for AD Category I banks to forward complete borrower returns to the Reserve Bank of India. Consequently, these measures mandate tighter reporting turnaround times, formalize the LSF payment process via NEFT/RTGS, and require authorized banks to actively monitor their clients' penalty compliance.

The Notification can be accessed [Here](#).

Securities Exchange Board of India

SEBI introduces voluntary lock-in/debt freeze facility for Mutual Fund folios, Circular dated: 06th March, 2026

The Securities and Exchange Board of India vide Circular dated March 06th, 2026 has introduced a voluntary debit freeze facility for MF investors across demat and non-demat folios, to ensure that no units shall be debited from such folios until they are unlocked. The facility shall be made available only to KYC validated investors having valid user credentials. AMFIs have been directed for prescribing detailed process for locking and unlocking of folios to all Asset Management Companies. AMFI are also required to prescribe the detailed list of financial and non-financial transactions that are permitted during the lock-in period.

The Circular can be accessed [Here](#).

SEBI materializes short-term intraday borrowing for mutual funds, Circular dated: 13th March, 2026

The Securities and Exchange Board of India vide Circular dated March 13th, 2026 has introduced intraday borrowing guidelines for Mutual Funds to manage temporary cash mismatches while processing investor redemptions. Mutual Funds were previously permitted to borrow up to 20% of a scheme's net assets for a maximum period of six months to meet requirements such as redemption payments, income distribution, or the settlement of certain trades. The present circular permits borrowing beyond this limit subject to certain conditions prescribed therein. SEBI clarified intraday borrowings may only be used for the repurchase or redemption of units or for the payment of interest or Income Distribution cum Capital Withdrawal payouts to unit holders. The intra-day borrowings must also not exceed the guaranteed receivables due on the same day from the Government of India, Reserve Bank of India, and Clearing Corporation of India Limited.

The Circular can be accessed [Here](#).

SEBI reviews and amends provisions relating to Core Settlement Guarantee Fund for Commodity Derivatives Segment, Circular dated: 16th March, 2026

The Securities and Exchange Board of India vide Circular dated March 16th, 2026 revises the earlier framework under which the SGF primarily covered risks arising from clearing member defaults with relatively standardised contribution and utilisation norms. The present circular expands and clarifies the scope of SGF coverage to better adjust to the risk profile of commodity derivatives. Clearing corporations now must calculate credit exposure assuming simultaneous default of at least three clearing members causing the highest credit exposure while conducting standardized stress testing for the SGF. It also empowers SEBI to grant exemptions or relaxations from SGF requirements on a case-to-case basis.



The Circular can be accessed [Here](#).

SEBI amends the SEBI (ICDR) Regulations, 2018, Notification dated: 16th March, 2026

The Securities and Exchange Board of India vide Notification No. SEBI/LAD-NRO/GN/2026/299 dated March 16th, 2026 issued under Section 30 of the SEBI Act, 1992 has further amended the SEBI (ICDR) Regulations, 2018 to complement the changes introduced under the SCRR framework and to further streamline the IPO regime and particularly for large issuers. In cases where a lock-in cannot be practically imposed on a pre-issue share capital, such shares will now be marked as non-transferable by depositories to ensure compliance in substance. The framework for abridged prospectus has been strengthened so issuers must file and host draft and final prospectus alongside offer documents and application forms must include a QR code linking investors to key documents. These amendments aim to streamline fundraising and improve accessibility of documents.

The Notification can be accessed [Here](#).

Ministry of Electronics and Information Technology

MEITY amends the Electronics and Information Technology Goods (Requirements for Compulsory Registration) Order, 2021, Order dated: 10th March 2026

MEITY, vide Order S.O. 1246 (E) dated March 10th, 2026 has amended the criteria for equipment to be classified as Highly Specialized Equipment (HSE), granting exemption from compulsory registration of equipment provided that the equipment is imported or manufactured in quantities of less than 100 units per model in a year. The equipment shall also meet technical requirements specified in the order. This amendment, as a whole delineates a class of equipment that is inherently unsuited to consumer-grade standardised testing protocols apparatus typically found in research laboratories, advanced manufacturing environments, and specialised industrial settings. MEITY by this order, has focussed on easing compliance burdens for entities, as subjecting such equipment to mandatory registration imposes disproportionate compliance burdens without a commensurate public safety benefit, and stipulates that the Order shall take effect June 15th, 2026 onwards.

The Order can be accessed [Here](#).

Ministry of Finance

Ministry of Finance amends the Securities Contracts (Regulation) Rules, 1957, Notification dated: 13th March 2026

The Ministry of Finance vide Notification G.S.R. 184(E) dated March 13th, 2026 issued under Section 30 of the Securities Contracts (Regulation) Act, 1956 has amended the Securities Contracts (Regulation) Rules, 1957 to revise the minimum public offer and allotment requirements for companies seeking listing, linking the public shareholding requirement to the post-issue capital of the company. The revised framework specifies different minimum public offer thresholds ranging from 25% for companies with post-issue capital up to Rs. 1,600 crores to lower percentages with value-based minimum public offers for very large companies, while ensuring a gradual increase in public shareholding over a specified time period. Previously, companies irrespective of their size were largely required to offer 25% of their shares to the public, which posed practical difficulties for very large companies undertaking IPOs. The overall effect is to facilitate mega IPOs and introduce flexibility in IPO structuring.



The Notification can be accessed [Here](#).

Ministry of Finance amends the pecuniary limits of Additional & Joint Director, Notification dated: 18th March 2026

The Ministry of Finance vide Notification S.O. 1397(E) dated March 18th, 2026 issued under Section 49 of the Foreign Exchange Management Act, 1999, has amended the monetary limits for adjudication by directors of enforcement. Accordingly, cases involving an amount or value exceeding Rs. 2 crores but not exceeding Rs. 10 crores have been made assignable to both Additional Director of Enforcement and Joint Director of Enforcement and hence removing the earlier distinction between Rs. 2-5 crores and Rs. 5-10 crore ranges.

The Notification can be accessed [Here](#).

Insurance Regulatory and Development Authority of India

IRDAI notifies transitional arrangements relating to payment of annual fee and registration for intermediaries, Circular dated: 16th March, 2026

The Insurance Regulatory and Development Authority of India vide Circular dated March 16th, 2026 lays down transitional fee arrangements for insurance intermediaries following the implementation of the Sabka Bima Sabki Raksha (Amendment of Insurance Laws) Act, 2025. The amendment discontinues the previous framework that required intermediaries to renew their Certificate of Registration (COR) every three years. Instead, registrations will now remain in force perpetually, subject to the payment of a specified annual fee. To facilitate this shift, the circular mandates an "interim annual fee" for intermediaries receiving fresh registrations or renewals between February 5 and June 30, 2026, and allows for the adjustment of any previously remitted renewal fees.

The Circular can be accessed [Here](#).



Sarvaank

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CONTACT US

DELHI ADDRESS:

Office No. 8, First Floor, Atmaram Mansion
(Scindia House), Connaught Place, New Delhi
110001

BENGALURU ADDRESS:

WeWork, Embassy Golf Links, Cinnabar Hills,
Off Intermediate Ring Road, Domlur Stage,
Bengaluru, Karnataka 560 071

www.sarvaankassociates.com

info@sarvaankassociates.com

+91 88824 69619



REGULATORY

Recent adjudication orders issued by the RDs and ROCs signal a decisive shift towards strict, zero-tolerance enforcement of the Companies Act, 2013. Even minor procedural lapses, technical errors, and non-compliances with sub-rules—often considered routine or rectifiable—are now attracting adjudication and substantial monetary penalties, with personal liability being imposed on directors and officers in default. This trend serves as a clear reminder that compliance today is not merely about intent or materiality, but about absolute adherence to every statutory requirement.

Set out below are select adjudication orders issued by the RDs and ROCs, highlighting the nature of non-compliances and the penalties imposed thereunder.

COMPANY NAME, CIN, AND REGISTERED ADDRESS	SECTION(S) VIOLATED	SECTION(S) UNDER WHICH PENALTY IS IMPOSED	BRIEF DESCRIPTION OF THE VIOLATION
<p>SWEET KARAM COFFEE INDIA PRIVATE LIMITED</p> <p>CIN: U15549TN2022PTC156684</p> <p>Registered Office: First Floor, Plot Nos. T.S.130 (Northern Side Part), T.S.131 and T.S.132, Thiru-Vi-Ka, SIDCO Industrial Estate, Ekkattuthangal, Guindy Industrial Estate, Chennai, Tamil Nadu – 600032</p> <p>Source 1 Source 2 Source 3 Source 4 Source 5 Source 6</p>	<ul style="list-style-type: none"> • <u>Rule 14(8) of Companies (Prospectus and Allotment of Securities) Rules, 2014:</u> A company shall issue private placement offer cum application letter only after the special resolution or Board resolution has been filed in the ROC. • <u>Section 42(8) of the Companies Act 2013:</u> Company must file the return of allotment (Form PAS-3) with the Registrar within the prescribed time (currently 15 days of allotment), containing details of the securities allotted and the allottees. 	<ul style="list-style-type: none"> • <u>Section 450 of the Companies Act, 2013:</u> the company and its officers in default are liable to a penalty of INR 10,000, with an additional INR 1,000 per day for continuing default, subject to a maximum of INR 2,00,000 for the company and INR 50,000 for each officer. • <u>Section 42(9) of the Companies Act, 2013:</u> Company, promoters and directors liable to a penalty of INR 1,000 per day for continuing default, subject to a maximum of INR 25,00,000 	<p>i. Company has failed to file special resolution with ROC in e-form MGT- 14 before issuing PAS-4 (letter of offer) to the identified persons.</p> <p>ii. The Company has failed to file the return of allotment (Form PAS-3) for multiple allotments across different tranches within 15 days from the respective dates of allotment.</p>



COMPANY NAME, CIN, AND REGISTERED ADDRESS	SECTION(S) VIOLATED	SECTION(S) UNDER WHICH PENALTY IS IMPOSED	BRIEF DESCRIPTION OF THE VIOLATION
<p>GARUDA AEROSPACE LIMITED</p> <p>CIN: U74900TN2015PLC102474</p> <p>Registered Office: Third Floor, Agni Business Centre, No.24/46, K B Dasan Road, Alwarpet, Chennai, Tamil Nadu – 600018</p> <p><u>Source</u></p>	<p><u>Section 117(1) read with Section 117(3)(g) and Section 179(3) of the Companies Act, 2013;</u> Requires every company to file prescribed resolutions/agreements (including those covered under Section 117(3)) with the Registrar within 30 days of passing such resolution. Further, Section 179(3) lists powers of the Board that must be exercised by passing resolutions at Board meetings (e.g., approval of financial statements, borrowing, investment decisions, etc.). Such resolutions fall within the ambit of Section 117 filing requirements.</p>	<p><u>Section 117(2) of the Companies Act, 2013;</u> Provides for penalty in case of failure to file required resolutions within the prescribed timeline:</p> <ul style="list-style-type: none">• Company: INR 10,000 plus INR 100 per day (subject to INR 2,00,000 max) ;• Officers in default: INR 10,000 plus INR 100 per day (subject to INR 50,000 max)	<p>The Company failed to file e-Form MGT-14 within 30 days of passing Board resolutions dated 02.05.2025 and 27.05.2025 approving issuance and allotment of securities (equity shares and CCDs) on a private placement basis. The form was filed with a delay of 234 days.</p>
<p>TRACTEL TIRFOR INDIA PVT LTD</p> <p>CIN: U29150WB1964PTC026256</p> <p>Registered Office: 15 Ganesh Chandra Avenue Na Kolkata West Bengal India 700013</p> <p><u>Source</u></p>	<p><u>Section 12(1) of the Companies Act, 2013;</u> requires a company to have, within 30 days of incorporation and at all times thereafter, a registered office capable of receiving and acknowledging and notices.</p>	<p><u>Section 12(8) of the Companies Act, 2013;</u> provides penalty of INR 1,000 per day for continuing default (subject to a maximum of INR 1,00,000) on the Company and every officer in default.</p>	<p>The Company failed to maintain a functional registered office capable of receiving communications, as evidenced by notices issued by the RoC being returned undelivered/unclaimed, thereby resulting in non-compliance with the requirements of maintaining a valid registered office.</p>



COMPANY NAME, CIN, AND REGISTERED ADDRESS	SECTION(S) VIOLATED	SECTION(S) UNDER WHICH PENALTY IS IMPOSED	BRIEF DESCRIPTION OF THE VIOLATION
<p>AVK VALVES INDIA PRIVATE LIMITED</p> <p>CIN: U29268KA2009PTCo67581</p> <p>Registered Office: 112, Nosigere Village, KIADB Industrial Area, 3rd Phase, Malur, Kolar, Karnataka – 563130</p> <p>Source</p>	<p><u>Section 118 of the Companies Act, 2013 read with Section 118(10)</u>; requires companies to prepare, maintain and preserve minutes of Board and General Meetings in accordance with prescribed standards and maintain proper records such as notices and proof of dispatch.</p>	<p><u>Section 118(11) of the Companies Act, 2013</u>; provides penalty of INR 25,000 on the Company and INR 5,000 on every officer in default for non-compliance with provisions relating to meetings and maintenance of minutes.</p>	<p>The Company failed to maintain and produce records relating to Board Meeting notices, proof of dispatch, and General Meeting notices for FY 2020–21 and 2021–22. Further, requisite details in respect of certain directors were not maintained, as observed in the secretarial audit (MGT-8), thereby resulting in non-compliance with provisions relating to maintenance of minutes and Secretarial Standards.</p>
<p>APPIAN COMPUTER TECHNOLOGIES INDIA PRIVATE LIMITED</p> <p>CIN: U72900TN2022FTC151009</p> <p>Registered Office: Unit No. 1101–1104, 11th Floor, Rajiv Gandhi Salai, Perungudi, Saidapet, Kanchipuram, Tamil Nadu – 600096</p> <p>Source</p>	<p><u>Section 90(4) of the Companies Act, 2013 read with Rule 4 of Companies (Significant Beneficial Owners) Rules, 2018</u>; requires filing of return of SBO (Form BEN-2) with the RoC within 30 days of receipt of declaration.</p>	<p><u>Section 90(11) of the Companies Act, 2013</u>; provides penalty of INR 1,00,000 and INR 500 per day for continuing default (max INR 5,00,000) for the Company, and INR 25,000 and INR 200 per day (max INR 1,00,000) for officers in default.</p>	<p>The Company failed to file e-Form BEN-2 within 30 days from receipt of SBO declaration (due on 30 April 2022) and filed the same on 1 December 2025, resulting in a delay of 1,310 days and consequent non-compliance</p>



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CONTACT US

DELHI ADDRESS:

Office No. 8, First Floor, Atmaram Mansion
(Scindia House), Connaught Place, New Delhi
110001

BENGALURU ADDRESS:

WeWork, Embassy Golf Links, Cinnabar Hills,
Off Intermediate Ring Road, Domlur Stage,
Bengaluru, Karnataka 560 071

www.sarvaankassociates.com

info@sarvaankassociates.com

+91 88824 69619