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WINS

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A GATEWAY TO KNOWLEDGE

Monthly Newsletter
APRIL 2025

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MAA FOUNDATION ACTIVITIES



MAA Foundation organizes regular skill development workshops and training programs to enhance women's professional and vocational skills. During the month of March, 2025, MAA Foundation organized various POSH awareness sessions and also imparted vocational skill trainings to young girls under the "SUI DHAGA PROJECT".

WORKSHOP ON STARTUP INDIA

A two-day workshop on the theme, "**STARTUP: Fostering Entrepreneurship**" was jointly organized by MAA Foundation (NGO), recognized by NITI Aayog, and Aryabhata College, University of Delhi, on March 7, 2025 at Aryabhata College and March 8, 2025 in virtual mode.

The first day's session commenced with opening remarks and the formal facilitation of Honored Guests, **Mr. Rajni Kant Jain** (Company Secretary of ONGC), **Mr. Ravi Verma** (Company Secretary of NSDC), **Mr. Tarun Ahuja** (Vice President of Finance- HSBC), **Mr. Aditya Mittal** (Director of Corporate Development and Revenue Planning and Analytics, GreyOrange India) **Mr. Ashish Sanghi** (Senior Manager at Kose Corporation India Private Limited), and **Ms. Harleen Pasricha** (Senior Manager at Lead- Global Partnerships Startup India) and who shared valuable insights on the startup ecosystem in presence of **Mr. Vinay Shukla**, **Prof. Manoj Sinha** (Principal of Aryabhata College), **Mr. SK Jain**, **Mr. JK Singh**, **Ms. Bharati Shukla**, **Ms. Jaya Yadav**, **Ms. Pooja Vohra** (*The Organizing Team*). These discussions were aimed at providing students with a comprehensive understanding of entrepreneurship and startups.

A key highlight of the day was a competition in which student teams presented their **Startup Business Plans**. Participants presented innovative business ideas, which were critically evaluated by a panel of esteemed judges including **Mr. Nitin Mehta** (Director & CEO of Cloud Integrtr Software Services Private Limited), **Mr. Anubhav Jain** (Founder and Director of The Well Being Collective Ltd.), **Ms. Jaya Yadav** (Trustee, MAA Foundation) and **Ms. Pooja Vohra** (Vice President, MAA Foundation). The winning teams were awarded cash prizes, and certificates were distributed to all participating students, acknowledging their efforts and contributions.

The second day of the workshop was conducted virtually, where speakers from various domains including **Mr. Gaurav Jain** (Founder of Lexcomply), **Mr. Sachin Bishnoi** (Company Secretary of CNH India), **Prof. (Dr.) Deepak Bansal** (Department of Management, GIMS Greater NOIDA), **Mr. Vipin Mudgal** (Partner at Rapid Startup) provided guidance on a range of pertinent topics. Discussions included the ***Lifecycle of a Startup, Blending Ideas with Technology, Meeting Fund Requirements, Startup Success Stories, and Challenges Faced by Startups and How to Overcome Them***. These sessions provided students with invaluable insights to help them navigate the challenges and opportunities in the startup landscape.

This workshop was an enriching experience, fostering a deeper understanding of the startup ecosystem and inspiring the next generation of entrepreneurs.



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MESSAGE FROM THE CHIEF EDITOR

“Quality means doing it right when no one is looking.” – Henry Ford

It gives us immense satisfaction to share the 95th Edition of “WINS – E-Newsletter” for April 2025, covering legal updates released during the month of April 2025, articles shared by respected professionals, Case Laws and compliance calendar for the month of April 2025.

In this issue, we have covered the following:

1. Corporate Updates from MCA, SEBI, RBI, CBIC, CBDT and other miscellaneous Laws
2. Articles on Risk Management- A Business Imperative, Confidentiality under POSH Act, 2013 and Disclosures from Directors in first quarter
3. Case Laws
4. Compliance checklist for the month of April 2025.

Trust, WINS not only helps you to keep yourself updated, but also saves your time with crisp summary, in the form of Editor’s Quick Take.

My sincere gratitude to each one of you for sparing your precious time in reading this newsletter and sharing your valuable feedback. Your suggestions and ideas have been a source of inspiration for us and have motivated and guided us to scout for better contents, every month, in timely manner. We take this opportunity to invite articles on topics of professional interest. Please ensure that the article is original, written in good style and adds value for the readers.

You may reach to us at vinayshukla@whitespan.in or +91 9810 624 262

With warm regards,

TEAM WINS (Whitespan Information and News Services)
April 01, 2025

OUR EDITORIAL BOARD COMPRISES THE FOLLOWING PROFESSIONALS

1. **Mr. Vinay Shukla**, a fellow member of The Institute of Company Secretaries of India (ICSI), a graduate in Law, Commerce and Management and the co-founder of WsA having more than thirty years' experience in wide spectrum of corporate functions.
2. **Ms. Jaya Yadav**, a practicing company secretary based at Gurgaon is a fellow member of The Institute of Company Secretaries of India (ICSI) and a graduate in Law and Commerce from Delhi University.
3. **Ms. Divya Shukla**, a practicing advocate enrolled in the Bar Council of Delhi and a graduate in Law and Commerce from Christ University, Bengaluru.
4. **Mr. Pushkar Garg**, a member of The Institute of Company Secretaries of India (ICSI) and a graduate in Law and Commerce from MJP Rohilkhand University.
5. **Ms. Geetanjali Arya**, CS Trainee pursuing LLB from Choudhary Charan Singh University, Meerut and a graduate in commerce from Maharishi Dayanand University, Rohtak
6. **Ms. Shweta Chaturvedi**, a member of The Institute of Company Secretaries of India (ICSI) and a post-graduate in commerce from CSJMU, Kanpur

Ministry of Corporate Affairs (MCA)

There are no updates from MCA for the month of March 2025

Securities Exchange Board of India (SEBI)

1. Faster Rights Issue with a flexibility of allotment to specific investor

Date of Circular: March 11, 2025

Effective date: April 07, 2025

Link:

<https://www.sebi.gov.in/legal/circulars/mar-2025/faster-rights-issue-with-a-flexibility-of-allotment-to-specific-investor-s-92622.html>

SEBI vide its circular dated March 11, 2025, introduced changes to streamline the Rights Issue process, aimed at improving efficiency and flexibility. Under the new framework, the Rights Issue must be completed within 23 working days from the Board of Directors' approval, with the subscription period ranging from a minimum of 7 days to a maximum of 30 days. To enhance operational efficiency, SEBI mandates the development of an automated bid validation system by stock exchanges and depositories within 6 months from the effective date of the circular. The circular also includes amendments to the existing Master Circular No. SEBI/HO/CFD/PoD-1/P/CIR/2024/0154, with clarifications regarding the application process, bid data corrections, and the use of the ASBA (Application Supported by Blocked Amount) facility. Additionally, the procedures for filing the Letter of Offer with SEBI and validating bids have been updated.

For further details, please refer the above-mentioned link.

2. Securities and Exchange Board of India (Prohibition of Insider Trading) (Amendment) Regulations, 2025

Date of Regulation: March 12, 2025

Effective date: June 10, 2025

Link:

https://www.sebi.gov.in/legal/regulations/mar-2025/securities-and-exchange-board-of-india-prohibition-of-insider-trading-amendment-regulations-2025_92645.html

SEBI vide its circular dated March 12, 2025 has amended the Securities and Exchange Board of India (Prohibition of Insider Trading) (Amendment) Regulations, 2025. These amendments aim to enhance the regulatory framework governing insider trading in India, ensuring greater transparency and accountability in the securities market.

For further details, please refer to the attached file namely **Amendments to Prohibition of Insider Trading Reg, 2015 as “Annexure A”**

3. Framework on Social Stock Exchange (SSE)

Date of Circular: March 19, 2025

Effective date: March 19, 2025

Link:

<https://www.sebi.gov.in/legal/circulars/mar-2025/framework-on-social-stock-exchange-sse-92767.html>

SEBI, in its circular dated March 19, 2025, has updated the Social Stock Exchange (SSE) framework, which was first introduced in September 2022 and later amended in December 2023. Following recommendations from the SSE Advisory Committee and public feedback, SEBI has decided to reduce the minimum application size for investing in Zero Coupon Zero Principal Instruments from ₹10,000 to ₹1,000. This change aims to make it easier for more people to invest in social impact projects. The new minimum application size of ₹1,000 will now apply to these instruments, as outlined in the earlier circular. This update is intended to encourage wider participation in the SSE.

4. Harnessing DigiLocker as a Digital Public Infrastructure for reducing Unclaimed Assets in the Indian Securities Market

Date of Circular: March 19, 2025

Effective date: April 01, 2025

Link:

https://www.sebi.gov.in/legal/circulars/mar-2025/harnessing-digilocker-as-a-digital-public-infrastructure-for-reducing-unclaimed-assets-in-the-indian-securities-market_92769.html

SEBI Circular SEBI/HO/OIAE/OIAE_IAD-3/P/CIR/2025/3, issued on March 19, 2025, addresses the issue of unclaimed assets in the Indian securities market. To mitigate this, SEBI is leveraging digital public infrastructure, specifically DigiLocker, in collaboration with the Key Resource Agencies (KRAs) registered with SEBI. This initiative aims to streamline the process of linking investors' demat accounts with their Aadhaar numbers, thereby reducing the occurrence of unclaimed assets. The use of DigiLocker is expected to enhance the efficiency and accuracy of this linkage process.

DigiLocker is a digital document wallet provided by the Government of India (GoI), designed to help citizens obtain and store important documents such as Aadhaar, PAN, Driving License, Death Certificates, and more. The documents stored in DigiLocker are recognized as legally valid and equivalent to original physical documents, as per Section 9A of the Information Technology Act, 2000. The circular outlines the functionalities, features, and benefits of DigiLocker in an annexure, providing further details on how it can be utilized to streamline document management. These digital tools are intended to enhance convenience and efficiency for users in managing their critical documents securely.

For further details, please refer the above-mentioned link.

5. Online Filing System for reports filed under Regulation 10(7) of SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011

Date of Circular: March 20, 2025

Effective date: March 20, 2025

Link:

https://www.sebi.gov.in/legal/circulars/mar-2025/online-filing-system-for-reports-filed-under-regulation-10-7-of-sebi-substantial-acquisition-of-shares-and-takeovers-regulations-2011_92791.html

SEBI in its circular, has outlined a significant change in the process of submitting reports under Regulation 10(7) of the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011. Previously, acquirers who were required to submit reports regarding certain acquisitions or increases in voting rights under specific exemptions in Regulation 10 had to send them via email to cfddcr@sebi.gov.in. However, to streamline the process, SEBI has now decided to introduce an online filing system for these reports through the SEBI Intermediary Portal (SI Portal) at <https://siportal.sebi.gov.in>.

This change will be rolled out in phases:

- 1. Phase 1 – Parallel Filing:** Initially, the new online system for filing reports will run alongside the existing email-based submission method. This means that, from the date of the circular's issuance, stakeholders can submit reports via both methods—email and the SI Portal. This parallel filing will continue until May 14, 2025.
- 2. Phase 2 – Mandatory Online Filing:** Starting from May 15, 2025, the submission of reports under Regulation 10(7) for the exemptions specified in Regulation 10(1)(a)(i) and Regulation 10(1)(a)(ii) will be mandatory through the SI Portal. Email submissions will no longer be accepted for these reports after this date.

3. Fee Payment: A significant change is the introduction of the payment of fees through the SI Portal. From the date of the circular's issuance, acquirers will need to pay the required non-refundable fee through the SI Portal itself. The filing process will be considered complete only after the payment is made via the portal. This eliminates the previous practice of paying fees through the SEBI website (<https://eservices.sebi.gov.in/paymentmodule>), which will no longer be available for these reports.

This new online filing system aims to improve efficiency, reduce processing time, and enhance the overall ease of compliance for market participants. The shift to a centralized digital platform is in line with SEBI's efforts to modernize operations and reduce administrative burdens.

For further details, please refer the above-mentioned link.

6. Disclosure of holding of specified securities in dematerialized form

Date of Circular: March 20, 2025

Effective date: Quarter ending June 30, 2025

Link:

https://www.sebi.gov.in/legal/circulars/mar-2025/disclosure-of-holding-of-specified-securities-in-dematerialized-form_92797.html

SEBI, through its Master Circular No. SEBI/HO/CFD/PoD2/CIR/P/0155 dated November 11, 2024, has made modifications to the disclosure requirements of shareholding patterns and the maintenance of shareholding in dematerialized format under Regulation 31 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. To enhance clarity and transparency, SEBI has updated Annexure 2 of Section II-A of Chapter II of the circular. These changes include amendments to Table I-IV, where listed entities are now required to disclose details of Non-Disposal Undertakings (NDU), other encumbrances, and the total number of shares pledged or encumbered, including NDU. Additionally, the existing column for "No. of Shares Underlying Outstanding Convertible Securities" now includes ESOPs, and a new column has been added to capture the total number of shares on a fully diluted basis, including warrants and convertible securities. Furthermore, Table II has been updated with a footnote clarifying the details of promoters and promoter groups with "NIL" shareholding. Stock exchanges have been instructed to notify listed companies of these changes and update their bye-laws and regulations as necessary to ensure compliance with the revised provisions. These updates aim to improve the transparency and accuracy of shareholding disclosures in the securities market.

For further details, please refer the above-mentioned link.

7. Facilitating ease of doing business relating to the framework on “Alignment of interest of the Designated Employees of the Asset Management Company (AMC) with the interest of the unitholders”

Date of Circular: March 21, 2025

Effective date: April 01, 2025

Link:

<https://www.sebi.gov.in/legal/circulars/mar-2025/facilitating-ease-of-doing-business-relating-to-the-framework-on-alignment-of-interest-of-the-designated-employees-of-the-asset-management-company-amc-with-the-interest-of-the-unitholders-92842.html>

SEBI, via its circular dated March 21, 2025, has made amendments to the SEBI (Mutual Funds) Regulations, 1996 to relax the regulatory framework concerning the 'skin in the game requirements' for Asset Management Companies (AMCs). These changes are aimed at making it easier for AMCs to comply with regulations while ensuring that their interests are aligned with those of the investors or unitholders.

The 'skin in the game' concept requires that designated employees of AMCs, such as fund managers and senior executives, have a personal financial stake in the mutual funds they manage. This is to ensure that the fund management team is motivated to act in the best interest of the unitholders and to reduce conflicts of interest.

The amendments, which were notified on February 14, 2025, and March 4, 2025, will take effect from April 1, 2025. These updates aim to make the regulatory framework more business-friendly for mutual funds while ensuring transparency, trust, and accountability.

In line with these changes, the Master Circular for Mutual Funds dated June 27, 2024, has been modified under Regulation 25(16B) of the MF Regulations. These modifications reflect the updated provisions, providing more clarity on the 'skin in the game' requirements and the way they are to be implemented by AMCs.

8. Industry Standards on “Minimum information to be provided for review of the audit committee and shareholders for approval of a related party transaction”

Date of Circular: March 21, 2025

Effective date: March 21, 2025

Link:

<https://www.sebi.gov.in/legal/circulars/mar-2025/industry-standards-on-minimum-information-to-be-provided-for-review-of-the-audit-committee-and-shareholders-for-approval-of-a-related-party-transaction-92843.html>

SEBI's circular dated February 14, 2025 required listed entities to follow the Industry Standards for providing minimum information needed for the review of the audit committee and shareholders' approval of related party transactions, effective from April 1, 2025. However, after receiving feedback from various stakeholders requesting more time, SEBI has decided to extend the effective date to July 1, 2025. The Industry Standards Forum (ISF), which consists of representatives from ASSOCHAM, CII, and FICCI, will review the feedback to simplify the standards and release the updated version within a set timeframe to meet the new deadline.

9. 209th Board Meeting of SEBI

Date of Meeting: March 24, 2025

The Securities and Exchange Board of India (SEBI) convened its 209th Board Meeting on March 24, 2025, during which several significant regulatory decisions were made:

1.Enhancement of Foreign Portfolio Investor (FPI) Disclosure Thresholds: SEBI approved increasing the threshold for additional disclosures by FPIs from ₹25,000 crore to ₹50,000 crore in equity assets under management (AUM). This change aims to align with the substantial growth in market trading volumes. FPIs holding more than 50% of their AUM in a single corporate group are also required to provide detailed ownership disclosures.

2.Revisions to Category II Alternative Investment Funds (AIFs) Investment Norms: To address the reduced availability of unlisted debt securities due to recent regulatory changes, SEBI has allowed Category II AIFs to count investments in listed debt securities rated 'A' or below as equivalent to unlisted securities for compliance with investment norms.

3.Strengthening Governance in Market Infrastructure Institutions (MIIs):

- 1. Appointment of Public Interest Directors (PIDs):** The process for appointing PIDs now requires prior approval from SEBI. Additionally, if an MII's governing board decides not to reappoint an existing PID after their first term, it must record and communicate the rationale to SEBI.
- 2. Cooling-Off Period:** MIIs' governing boards may prescribe a minimum cooling-off period for Key Management Personnel (KMPs) and directors before they can join a competing MII.
- 3. Appointment of Specific KMPs:** The appointment, reappointment, or termination of critical KMPs—such as Compliance Officer, Chief Risk Officer, Chief Technology Officer, and Chief Information Security Officer—requires approval from the MII's governing board, rather than just the Nomination and Remuneration Committee.

4. Advance Fee Collection by Investment Advisers (IAs) and Research Analysts (RAs): SEBI has revised regulations to allow IAs and RAs to charge fees in advance for up to one year, provided the client agrees. Previously, the maximum advance fee collection period was limited to six months for IAs and three months for RAs. These fee-related provisions apply only to individual and Hindu Undivided Family clients who are not accredited investors.

5. Deferral of Amendments to Regulations for Merchant Bankers, Debenture Trustees, and Custodians: The implementation of amendments requiring Merchant Bankers, Debenture Trustees, and Custodians to operate other regulated activities as separate legal entities has been deferred. SEBI will review alternative approaches to ensure a level playing field before proceeding with any changes.

6. Establishment of a High-Level Committee on Conflict of Interest and Disclosures: SEBI has constituted a High-Level Committee to comprehensively review provisions related to conflict of interest, disclosures of assets, liabilities, and other related matters concerning SEBI members and officials. The committee is expected to submit its recommendations within three months.

10. Extension of timelines for submission of offsite inspection data

Date of Circular: March 28, 2025

Effective date: March 28, 2025

Link:

https://www.sebi.gov.in/legal/circulars/mar-2025/extension-of-timelines-for-submission-of-offsite-inspection-data_93100.html

The Securities and Exchange Board of India (SEBI) issued Circular SEBI/HO/IMD/IMD-PoD-1/P/CIR/2025/38 on March 28, 2025, extending the timeline for Mutual Funds (MFs) to submit offsite inspection data. Previously, Clause 5.27.2 of the Master Circular for Mutual Funds, dated June 27, 2024, required MFs to submit daily data in a monthly file on a quarterly basis within 10 calendar days from the end of the quarter. With the new extension, MFs are now required to submit this data within 15 calendar days from the end of the quarter. Additionally, Registrars to an Issue and Share Transfer Agents (RTAs) are mandated to submit the said data on an ongoing basis. This change aims to facilitate ease of doing business for MFs and RTAs.

11. Measures to facilitate ease of doing business with respect to framework for assurance or assessment, ESG disclosures for value chain, and introduction of voluntary disclosure on green credits

Date of Circular: March 28, 2025

Effective date: March 28, 2025, except otherwise mentioned specifically in the circular

Link:

https://www.sebi.gov.in/legal/circulars/mar-2025/measures-to-facilitate-ease-of-doing-business-with-respect-to-framework-for-assurance-or-assessment-esg-disclosures-for-value-chain-and-introduction-of-voluntary-disclosure-on-green-credits_93102.html

In line with the recommendations of the Expert Committee for Facilitating Ease of Doing Business and after considering feedback from public consultation, the Board, on December 18, 2024, decided to revise several provisions concerning ESG (Environmental, Social, and Governance) disclosures for the value chain. These revisions aim to enhance transparency and simplify compliance requirements for listed entities. Key changes include the introduction of an option for companies to undertake either an ‘assessment’ or ‘assurance’ for BRSR Core and ESG disclosures related to their value chain activities. Additionally, new disclosure requirements on green credits have been introduced to promote sustainable practices and provide clearer information on environmental impact. To implement these changes, the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (“LODR Regulations”) have been amended, as per Gazette ID CG-MH-E-28032025-262027 dated March 28, 2025. Furthermore, partial modifications have been made to the Master Circular No. SEBI/HO/CFD/PoD2/CIR/P/0155, titled “Master Circular for Compliance with the Provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 by Listed Entities,” dated November 11, 2024, to ensure alignment with the updated regulations. These changes reflect SEBI’s continued efforts to strengthen ESG-related disclosures, promote sustainable business practices, and facilitate ease of doing business in the capital markets.

For further details, please refer the above-mentioned link.

12. Extension towards Adoption and Implementation of Cybersecurity and Cyber Resilience Framework (CSCRF) for SEBI Regulated Entities (REs)

Date of Circular: March 28, 2025

Effective date: March 28, 2025

Link:

<https://www.sebi.gov.in/legal/circulars/mar-2025/extension-towards-adoption-and-implementation-of-cybersecurity-and-cyber-resilience-framework-cscrf-for-sebi-regulated-entities-res-93146.html>

Recognizing the critical need for robust cybersecurity measures and the protection of data and IT infrastructure, the Securities and Exchange Board of India (SEBI) issued the 'Cybersecurity and Cyber Resilience Framework (CSCRF) for SEBI Regulated Entities (REs)' through circular SEBI/HO/ITD-1/ITD_CSC_EXT/P/CIR/2024/113 dated August 20, 2024. Following this, SEBI issued clarifications to the framework via circular SEBI/HO/ITD-1/ITD_CSC_EXT/P/CIR/2024/184 dated December 31, 2024, in response to various queries from REs seeking further guidance. Considering multiple requests from REs for an extension of the compliance timelines to ensure ease of implementation, SEBI has decided to extend the deadline by three months, with the new compliance date set for June 30, 2025. This extension applies to all REs, except Market Infrastructure Institutions (MIIs), KYC Registration Agencies (KRAs), and Qualified Registrars to an Issue and Share Transfer Agents (QRTAs), providing them with additional time to align with the CSCRF requirements and strengthen their cybersecurity and cyber resilience frameworks.

13. SEBI Regulations modified during March, 2025

Sr. No.	Regulation	Last Modified Date	Link
1.	Securities and Exchange Board of India (Mutual Funds) Regulations 1996	March 04, 2025	http://www.sebi.gov.in/legal/regulations/mar-2025/securities-and-exchange-board-of-india-mutual-funds-regulations-1996-last-amended-on-march-4-2025-92574.html
2.	Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations 2015	March 12, 2025	http://www.sebi.gov.in/legal/regulations/mar-2025/securities-and-exchange-board-of-india-prohibition-of-insider-trading-regulations-2015-last-amended-on-march-12-2025-92672.html
3.	Securities Contracts (Regulation) (Stock Exchanges and Clearing Corporations) Regulations, 2018	March 21, 2025	http://www.sebi.gov.in/legal/regulations/mar-2025/securities-contracts-regulation-stock-exchanges-and-clearing-corporations-regulations-2018-last-amended-on-march-21-2025-92916.html
4.	Securities and Exchange Board of India (Intermediaries) Regulations, 2008	March 21, 2025	http://www.sebi.gov.in/legal/regulations/mar-2025/securities-and-exchange-board-of-india-intermediaries-regulations-2008-last-amended-on-march-21-2025-92913.html
5.	Securities and Exchange Board of India (Credit Rating Agencies) Regulations, 1999	March 21, 2025	http://www.sebi.gov.in/legal/regulations/mar-2025/securities-and-exchange-board-of-india-credit-rating-agencies-regulations-1999-last-amended-on-march-21-2025-92915.html



RESERVE BANK OF INDIA **(RBI)**

1. Master Directions - Reserve Bank of India (Priority Sector Lending – Targets and Classification) Directions, 2025

Date of Master Direction: March 24, 2025

Effective Date: April 01, 2025

Link: https://www.rbi.org.in/Scripts/BS_ViewMasDirections.aspx?id=12799

The Reserve Bank of India (RBI) has periodically issued instructions and guidelines to banks regarding Priority Sector Lending (PSL), which aims to ensure that financial institutions contribute to the development of key sectors such as agriculture, micro, small and medium enterprises (MSMEs), education, and housing. The latest set of guidelines has been consolidated into updated Master Directions, which reflect the most recent revisions and policy changes concerning PSL.

These updated Master Directions will come into effect on April 1, 2025, marking a transition from the earlier RBI (Priority Sector Lending – Targets and Classification) Directions, 2020. The new framework will supersede the previous set of rules, ensuring a more streamlined and cohesive approach to PSL requirements. However, to maintain continuity, all loans that were eligible for PSL classification under the earlier Directions will continue to be recognized as such until their maturity. This means that banks do not need to reclassify existing PSL loans, and the benefits associated with these loans will remain intact. The revised Directions aim to enhance the effectiveness of PSL by aligning it with current economic priorities, improving credit flow to underbanked sectors, and promoting inclusive growth.

2. Master Directions – Reserve Bank of India (Prudential Norms on Capital Adequacy for Regional Rural Banks) Directions, 2025

Date of Master Direction: March 25, 2025

Link: https://www.rbi.org.in/Scripts/BS_ViewMasDirections.aspx?id=12800

The Reserve Bank of India (RBI) has, over time, issued a series of guidelines, instructions, and directives concerning Prudential Norms on Capital Adequacy for Regional Rural Banks (RRBs). These norms are crucial for maintaining the financial stability and soundness of RRBs, ensuring they have adequate capital to cover risks and support their operations effectively. However, the scattered nature of these directives across different circulars and notifications made it challenging for RRBs to access and comply with the latest requirements.

To address this, the RBI has consolidated all the existing guidelines, instructions, and directives into a single Master Direction. This Master Direction not only brings together the previous directives for ease of reference but also incorporates necessary modifications to update and rationalize the existing norms. The aim is to simplify the regulatory framework, reduce ambiguities, and enhance the clarity of expectations for RRBs.

The Master Direction has been issued under the RBI's authority as per Section 35A of the Banking Regulation Act, 1949, which empowers the RBI to give directions to banks in the public interest. Additionally, it is issued under all other relevant powers vested in the RBI for the regulation and supervision of financial institutions. This comprehensive approach ensures that RRBs are well-equipped to maintain robust capital adequacy levels, supporting their role in promoting financial inclusion and rural development.

3. Gold Monetization Scheme (GMS), 2015 - Amendment

Date of Notification: March 25, 2025

Effective Date: March 26, 2025

Link: <https://www.rbi.org.in/Scripts/NotificationUser.aspx?Id=12801&Mode=0>

The Government of India, through press release ID 2115009 dated March 25, 2025, announced the discontinuation of the Medium Term and Long-Term Government Deposit (MLTGD) components of the Gold Monetization Scheme (GMS) effective from March 26, 2025. As a result, any gold deposits tendered at designated Collection and Purity Testing Centres (CPTCs), GMS Mobilisation, Collection & Testing Agents (GMCTAs), or designated bank branches for the MLTGD component will no longer be accepted after March 25, 2025. However, designated banks may, at their discretion, offer Short Term Bank Deposits (STBD) under the GMS. Gold deposits mobilized under the MLTGD scheme until March 25, 2025, will continue to remain valid and will be redeemed as per the existing guidelines.

In line with this development, the Reserve Bank of India (RBI), exercising its powers under Section 35A of the Banking Regulation Act, 1949, has amended the Master Direction No. DBR.IBD.No.45/23.67.003/2015-16 dated October 22, 2015, on the Gold Monetization Scheme, 2015. The revised provisions of the Master Direction are enclosed in the Annex to this circular. Additionally, the Frequently Asked Questions (FAQs) related to the scheme's provisions have also been updated to reflect these changes.

4. Revised norms for Government Guaranteed Security Receipts (SRs)

Date of Notification: March 29, 2025

Effective Date: March 29, 2025

Link: <https://www.rbi.org.in/Scripts/NotificationUser.aspx?Id=12804&Mode=0>

The Master Direction on Transfer of Loan Exposures (MD-TLE), 2021, outlines prudential guidelines for the transfer of loans to Asset Reconstruction Companies (ARCs), with specific provisions for Security Receipts (SRs) guaranteed by the Government of India. If a loan is transferred for a value higher than its net book value (NBV), the excess provision can be reversed to the Profit and Loss Account in the year of transfer, provided the sale consideration includes only cash and SRs guaranteed by the government. However, the non-cash component in the form of SRs must be deducted from CET 1 capital, and no dividends can be paid from this amount. SRs are to be periodically valued based on the Net Asset Value (NAV) declared by the ARC, which is influenced by recovery ratings. Any unrealized gains from the fair valuation of these SRs are to be deducted from CET 1 capital, with no dividends payable from such gains. After the final settlement or expiry of the government guarantee, any outstanding SRs must be valued at ₹1. If SRs are converted into other forms of instruments as part of a resolution, their valuation and provisioning will be governed by the Prudential Framework for Resolution of Stressed Assets, 2019.



Central Board of Direct Taxes (CBDT)

1. Frequently Asked Questions (FAQs) on revised guidelines for compounding of offences under Income Tax Act, 1961

Date of Notification: March 17, 2025

Effective Date: March 17, 2025

Link: <https://incometaxindia.gov.in/communications/circular/circular-no-04-2025.pdf>

The Central Board of Direct Taxes (CBDT) has issued a circular addressing Frequently Asked Questions (FAQs) related to recent tax provisions.

The FAQs provide clarity on compliance, exemptions, and procedural aspects for taxpayers.

2. Waiver of Interest on Delayed TDS/TCS Payments Due to Technical Glitches

Date of Notification: March 28, 2025

Effective Date: March 28, 2025

Link: <https://incometaxindia.gov.in/communications/circular/circular-no-5-2025.pdf>

The Central Board of Direct Taxes (CBDT) has issued an order under Section 119 of the Income-tax Act, 1961, providing relief to taxpayers facing interest levy under sections 201(IA) and 206C (7) for delayed payments of Tax Deducted at Source (TDS) and Tax Collected at Source (TCS) due to technical glitches.

Key Highlights:

Interest Levy and Relief: Interest under Sections 201(IA) and 206C(7) is usually levied if TDS/TCS payments are not credited to the Central Government's account by the due date. However, the CBDT has acknowledged that some taxpayers experienced delays due to technical issues with the payment system.

Conditions for Waiver: Taxpayers will be eligible for a waiver of interest if:

- Payment was initiated on time, with amounts debited before the due date.
- Delays in crediting to the Central Government occurred due to technical glitches beyond the taxpayer's control.

Application Process: Taxpayers can apply to the Chief Commissioner of Income-tax (CCIT), Director General of Income-tax (DGIT), or Principal Chief Commissioner of Income-tax (PrCCIT). A "speaking order" will be issued after verifying the technical issue, and a refund will be provided if interest was already paid.

Time Limit for Application: Applications must be submitted within one year from the end of the financial year in which the interest was charged.

Decision Timeline: The waiver application will be processed within six months from receipt.

Finality of the Decision: The decision made by the CCIT/DGIT/PrCCIT is final, with no further petitions entertained by the CBDT

This measure is aimed at providing relief to taxpayers who faced technical difficulties when making payments and ensures that they are not unfairly penalized for delays outside their control.

Note: *Taxpayers are encouraged to apply promptly within the specified timeframes to benefit from this relief.*

CENTRAL BOARD OF INDIRECT TAXES & CUSTOMS

(CBIC)

1. Clarification on various issues related to availment of benefit of Section 128A of the CGST Act, 2017

Date of Notification: March 27, 2025

Effective Date: March 27, 2025

Link: <https://taxinformation.cbic.gov.in/view-pdf/1003271/ENG/Circulars>

Purpose: Section 128A of the CGST Act, 2017 provides relief to taxpayers by offering a waiver of interest or penalty, or both, in cases where demands were raised for the period from July 01, 2017 to March 31, 2020. This relief applies to tax demands arising under Section 73 (for recovery of tax) that were not paid or underpaid during this period.

Eligibility for Benefit:

- **Period of Relief:** The waiver applies to tax demands raised for the period **July 01, 2017 to March 31, 2020**. If a taxpayer was issued a demand for taxes during this time, they can avail of the benefit of a waiver of interest or penalties.
- **Payments:** Taxpayers must make payments in a **prescribed manner** (usually through **FORM GST DRC-03**) to avail of the benefit. The relief is conditional on following the specified procedure.
- **Scope of Relief:** This section helps businesses and taxpayers who faced difficulties during the early implementation of GST to clear their dues without incurring penalties or interest, provided the payment was made as per the conditions of Section 128A.

Clarifications Issued (Circular Dated March 27, 2025)

1. Payment through GSTR-3B Before November 01, 2024:

- **Clarification:** Taxpayers who made payments **through GSTR-3B** before **November 01, 2024** (when Section 128A came into force) can still avail of the benefit, provided the payment was **intended to cover the tax demand** raised under **Section 73** for the period from July 01, 2017 to March 31, 2020.
- **Future Payments:** For any payments made **after November 01, 2024**, taxpayers must make payments through **FORM GST DRC-03** to qualify for the benefit under Section 128A.

2. Partial Period Coverage in Demand Notices:

- **Clarification:** If the taxpayer receives a demand notice/order that spans both periods within and outside the scope of Section 128A (e.g., it covers some months within the period July 01, 2017 to March 31, 2020 and some months outside), the taxpayer can **file FORM SPL-01 or FORM SPL-02** to make a claim for the period covered under Section 128A.
- **Appeal Withdrawal:** The taxpayer must inform the **Appellate Authority** of their intent to withdraw the appeal for the period covered under Section 128A (FY 2017-18 to 2019-20).

3. Appeal Withdrawal for Partial Period Cases:

- **Clarification:** If the demand notice includes both periods within and outside the scope of Section 128A, the taxpayer must **withdraw the appeal** for the period from **July 01, 2017 to March 31, 2020** to avail of the waiver benefit for that period.
- The Appellate Authority will then adjudicate the appeal for the **period beyond March 31, 2020**, as it falls outside the scope of Section 128A.

Miscellaneous Laws

National Stock Exchange of India

1. Circular on the Regulatory Framework for Specialized Investment Funds (SIF')

Date of Circular: March 13, 2025

Effective date: April 01, 2025

Link: https://nsearchives.nseindia.com/web/sites/default/files/inline-files/Circular_3.pdf

On February 27, 2025, SEBI issued Circular No. SEBI/HO/IMD/IMD-I POD-1/P/CIR/2025/26, establishing a regulatory framework for Specialized Investment Funds (SIFs). This framework outlines clear guidelines for the registration, operation, and compliance requirements of SIFs in India. SIFs are defined as investment funds that pool capital from investors to invest in specific asset classes, sectors, or strategies as specified in their constitutive documents. Entities intending to operate as SIFs must register with SEBI under the SEBI (Alternative Investment Funds) Regulations, 2012. The registration process requires the submission of an application with details about the investment strategy, fund structure, and compliance mechanisms. SIFs are also required to follow operational guidelines, including adherence to investment restrictions, valuation norms, and disclosure requirements. They must maintain proper records, conduct regular audits, and ensure transparency. Additionally, SIFs must comply with ongoing reporting and disclosure obligations to SEBI and investors, while also establishing grievance redressal mechanisms for investor complaints.

2. Industry Standards Frequently Asked Questions (FAQs) on Applicability of the Industry Standards on “Minimum information to be provided for Review of the Audit Committee and Shareholders for Approval of Related Party Transaction (RPT)”

Date of Circular: March 15, 2025

Effective date: March 15, 2025

Link: https://nsearchives.nseindia.com/web/sites/default/files/inline-files/NSECircular_15032025.pdf

This is with reference to Exchange Circular No. NSE/CML/2025/05 dated February 15, 2025, which provides guidelines on the Industry Standards for the minimum information required for the review of related party transactions (RPTs) by the audit committee and shareholders. In this regard, a copy of the Frequently Asked Questions (FAQs) on the applicability of the Industry Standards on "Minimum Information to be Provided for the Review of the Audit Committee and Shareholders for Approval of Related Party Transactions" is provided by NSE. These FAQs are intended to offer further clarification on the required information that needs to be disclosed to both the audit committee and shareholders for RPT approval. The guidelines aim to ensure transparency and consistency in the approval process of related party transactions.

Insolvency and Bankruptcy Board of India

1. Disclosure of information relating to carry forward of losses in Information Memorandum (IM)

Date of Circular: March 17, 2025

Effective date: March 17, 2025

Link: <https://ibbi.gov.in/uploads/legalframework/6fb7768b385beefa146df2af2ff67a65.pdf>

The Insolvency and Bankruptcy Board of India (IBBI) has amended Regulation 36 of the IBBI (Insolvency Resolution Process for Corporate Persons) Regulations, 2016, to require the inclusion of detailed disclosures regarding the carry forward of losses as per the Income Tax Act, 1961, in the Information Memorandum (IM). This amendment mandates Insolvency Professionals (IPs) to ensure that such losses are comprehensively captured and disclosed. The revised directive requires IPs to include a dedicated section in the IM that explicitly outlines the quantum of carry forward losses available to the corporate debtor, a breakdown of these losses under specific heads as per the Income Tax Act, the applicable time limits for utilizing these losses, and, in cases where no carry forward losses are available, a clear statement of this fact. The enhanced disclosure is designed to provide potential resolution applicants with a more thorough understanding of the debtor's financial situation, enabling them to develop informed, viable resolution plans while considering the impact of carry forward losses.

Intellectual Property

1. Public Notice: Extension of the validity of FCRA registration certificate

Date of Public Notice: March 25, 2025

Effective date: March 27, 2025

Link: https://fcraonline.nic.in/Home/PDF_Doc/fc_notice_28032025.pdf

The Ministry of Home Affairs has issued a public notice extending the validity of FCRA registration certificates for certain categories of registered entities. Entities whose registration validity was extended until March 31, 2025, and whose renewal applications are pending, will have their validity further extended until June 30, 2025, or until the renewal application is processed, whichever is earlier. Similarly, entities whose five-year validity period expires between April 1, 2025, and June 30, 2025, and have applied or will apply for renewal before expiration, will have their validity extended until June 30, 2025, or until the renewal application is processed, whichever is earlier. It's important to note that if a renewal application is refused, the registration certificate will be considered expired on the refusal date, and the association will not be eligible to receive or utilize foreign contributions.

Ministry of Home Affairs

1. Public Notice: Invitation for Comments on Draft CRI Guidelines 2025

Date of Public Notice: March 27, 2025

Effective date: March 25, 2025

Link: <https://ipindia.gov.in/newsdetail.htm?1067>

The Office of the Controller General of Patents, Designs, and Trade Marks (CGPDTM) has released the Draft Guidelines for Examination of Computer-Related Inventions (CRI), 2025, inviting stakeholders and the public to provide feedback. These guidelines aim to clarify the examination process for CRI patent applications, focusing on aspects such as novelty, inventive step, and technical advancement.

Stakeholders and the public are encouraged to submit their comments and suggestions on the draft guidelines. Feedback should be sent via email to sukanya.ipo@nic.in with the subject line: "Comments on Draft CRI Guidelines 2025." The deadline for submitting comments is April 15, 2025.

Article 1

RISK MANAGEMENT – A BUSINESS IMPERATIVE

Risk is an inherent part of business, be it small or large Corporates. It makes necessary for Corporates to put in place Risk Management mechanism to identify, analyse, monitor and mitigate the risks. The systematic and well documented approach helps Corporates to reduce the possibility of arising risk and mitigating the impact of risk. Robust Risk Management has become a business imperative in this fast-changing business environment where agility in action and adaptability need to be built in the system.

Corporates are prone to both internal and external risks. Now a days, the dynamics of risks have changed with globalization, digitization, growing geopolitical tensions, restriction of trade/ tariff barriers, technological interventions, emergence of Artificial Intelligence in business operations, global warming, disruption in supply chain, change in government in major economies of the world, etc. World has become the market, any political change or policy change in a country pose risks to the Corporates having business relationships with that country.

A Corporate can broadly categorize risks into four categories namely:

<u>Strategic/External</u> <ul style="list-style-type: none"> • Change in Tax Policy • Change in Trade Policy • Technology Intervention • Geopolitical Tensions • Global Warming 	<u>Operational</u> <ul style="list-style-type: none"> • Shortage of Raw Material • Monopoly of Supplier • Disruption in Logistics • Delay in approvals • Data Theft • Labor Problems
<u>Financial</u> <ul style="list-style-type: none"> • Frauds • Forex fluctuation • Bad debts • Tax demands • Project Cost overrun 	<u>Regulatory & Compliances</u> <ul style="list-style-type: none"> • Noncompliance of laws • Change in regulations • Poor Corporate Governance

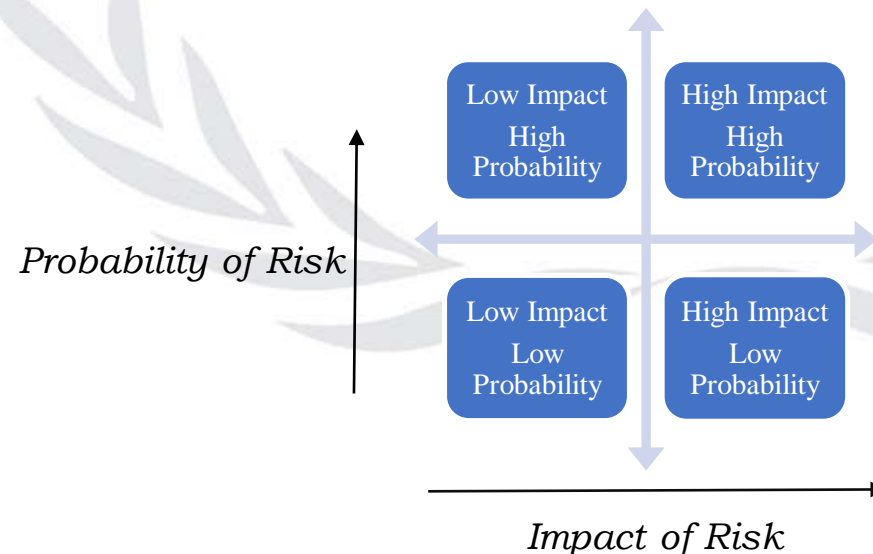
Though each category of risks is important, in recent times Strategic/External risks are posing more threats due to the changing business environment in the world. Political and Economic relations among nations are undergoing change and have ramifications on the Corporates. This has necessitated to recalibrate their strategies to align them with national/international business ecosystem.

Risk Management encompasses identification, analysis, assessment, reporting, monitoring and taking mitigation measures.

Identification of Risks & Assigning Risk Scores

As a first step towards Risk Management a Corporate can prepare list of risks related to its business, both internal and external. This list can be in the form of a Risk Register. The cross functional team consisting of employees at various levels can be formed to brainstorm and identify risks associated with the business. After compiling list of risks, risk scores can be assigned to each risk based on a methodology. The primary scoring can be based on impact and probability of risks.

The following matrix can be made to bucket the risks based on impact and profitability:



The impact of risks can be on profitability, sales, cost, market capitalization, goodwill or reputation of business. Similarly, probability can also be assessed in terms of likelihood of risks. Further after factoring in speed/velocity with which risks can arise and effectiveness of mitigation measures in place, resultant risk scores can be worked out. Based on the scores, risks can be ranked (High to low) for reporting, monitoring and mitigation.

Monitoring and Reporting

Corporates need to monitor the risks at regular intervals i.e. quarterly or half yearly basis at various levels. The suitable Management Information System (MIS) can be put to Top Management for their review and necessary directions.

Risk Mitigation Measures

It is important to put in place risk mitigation measures for each identified business risk. Risk mitigation measures can be preparation of Business Continuity Plans (BCP), Contingency Plans, IT Disaster Recovery Plans, HR Succession Planning, IT Audit, Adequate Insurance Coverage, robust compliance mechanism, Reduced dependence on a single supplier/vendor, well documented policies, systems & procedures, well defined Delegation of Powers (DOP), flexibility in Product pricing, diversification of Business, etc.

Hierarchy of Risk Mechanism

The Board of Directors can oversee the Risk Management mechanism in the Company and can form a separate Board level Risk Management Committee. This Committee can consist of Board members as well as senior executives of the Company.

Chief Executive Officer and Chief Risk Officer can report to this Committee for effective implementation of Risk Management in the Company.

Further the Company may designate individuals as Risk Officers who shall assist in identifying, assessing, mitigating the risk and ensuring risk management practices are implemented in accordance with the organization's risk management framework.

Regulatory Requirement of Risk Management

SEBI Listing Obligations and Disclosure Requirements Regulations

1. The Board of Directors shall be responsible for framing, implementing and monitoring the risk management plan for the listed entity.
2. The Board of Directors of the listed entity shall review the Risk Policy & Ensure integrity of the Risk Management System.
3. The listed entity shall lay down procedures to inform members of the Board of Directors about risk assessment and minimization procedures.
4. The Board of Directors shall constitute the Risk Management Committee and shall define its role and responsibilities. The Risk Management Committee shall meet at least twice in a year. This requirement of having a Risk Management Committee is applicable to Top 1000 listed entities.

The Companies Act, 2013

1. The Board of Directors Report shall include a statement indicating development and implementation of a risk management policy for the Company including identification therein of elements of risk, if any, which may threaten the existence of the Company.
2. The Audit Committee shall act in accordance with the terms of reference specified in writing by the Board, which shall, inter alia, include evaluation of Risk Management Systems.

Conclusion

In today's fast changing business environment, where Corporates are subject to both internal and external risks, risk management has become a necessity. Corporates are required to be more vigilant, agile, adaptive, and geared up to mitigate the risks for survival and sustainable growth. There is a need for formulation of Risk Management policy, maintaining risk registers, periodic monitoring of high score risks & putting in place mitigation measures by the Companies. Effective Risk Management not only prevents the risks but also mitigates the impact of risks on the Company.

Author:

SK Jain, former executive director of Indraprastha Gas Limited is an alumnus of Shri Ram College of Commerce, FCS, ACMA and LLB from University of Delhi. He is having more than 35 years of corporate experience with focus on M&A, Risk Management, ESG, Corporate Governance and Regulatory Affairs. He also held the position of chairman of IGL Genesis Technologies Limited. Presently, he is associated with Whitespan as Senior Advisor.



Article 2

Confidentiality under POSH Act, 2013

The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the rules made thereunder (hereinafter referred to as the “**POSH Act**”) mandates strict confidentiality in handling complaints of sexual harassment. This ensures the privacy and protection of all parties involved—complainant, respondent, and witnesses—while maintaining the integrity of the inquiry process.

Statutory Provisions on Confidentiality

Section 16: Prohibition of publication or making known contents of complaint and inquiry proceedings

Notwithstanding anything contained in the Right to Information Act, 2005 (22 of 2005), the contents of the complaint made under section 9, the identity and addresses of the aggrieved woman, respondent and witnesses, any information relating to conciliation and inquiry proceedings, recommendations of the Internal Committee or the Local Committee, as the case may be, and the action taken by the employer or the District Officer under the provisions of this Act shall not be published, communicated or made known to the public, press and media in any manner:

Provided that information may be disseminated regarding the justice secured to any victim of sexual harassment under this Act without disclosing the name, address, identity or any other particulars calculated to lead to the identification of the aggrieved woman and witnesses.

Section 17: Penalty for publication or making known contents of complaint and inquiry proceedings—

Where any person entrusted with the duty to handle or deal with the complaint, inquiry or any recommendations or action to be taken under the provisions of this Act, contravenes the provisions of section 16, he shall be liable for penalty in accordance with the provisions of the service rules applicable to the said person or where no such service rules exist, in such manner as may be prescribed.

Rule 12: Penalty for contravention of provisions of section 16-

Subject to the provisions of Section 17, if any person contravenes provisions of Section 16, the employer shall recover a sum of rupees five thousand as penalty from such person.

Confidentiality Guidelines laid down by Hon'ble Bombay High Court

In a landmark judgment, the Bombay High Court has established guidelines to ensure the confidentiality of hearings related to workplace sexual harassment cases involving women. These guidelines, issued in P v. A & Ors. [Suit No. 142 of 2021, Bombay HC, decided on September 24, 2021] (“POSH Confidentiality Guidelines”), provide a framework for handling such cases, including the conduct of hearings, the recording, pronouncement, and communication of decisions, as well as precautionary measures for reporting, including by the media.

The POSH Confidentiality Guidelines serve as a working protocol for the courts, with the primary objective of preventing even accidental disclosure of the identities of the parties involved. The Bombay High Court has emphasized that these guidelines represent the bare minimum standards to be followed and remain subject to further revisions or modifications as needed.

Guidelines for Handling Cases

The POSH Confidentiality Guidelines include the following directions:

1. To anonymize identities of the parties:
 - a. While identity documents may be requisitioned for by the Registry to establish the identity of the deponent, no such document or personally identifiable information (“PII”) shall be retained on file.
 - b. The names of the parties will not be mentioned in the order sheets. Instead, they will be referred to as Plaintiff, Defendant No.1, etc.
 - c. There will be no mention of any PII in the order whether it be the names, email ids, mobile or telephone numbers, addresses etc. of the parties. Additionally, no witnesses will be mentioned, nor will their addresses be noted.
 - d. All orders and judgments will be delivered in private, that is, they will not be pronounced in open court but will be conducted only in chambers or in-camera.
 - e. There will be no online or hybrid facility for hearings. All hearings will require physical attendance.
 - f. Orders/judgments on merits will not be uploaded.

2. Hearing and access to confidential information:
 - a. Only the advocates and the litigants shall be permitted to attend hearings. Except the Court Master/ Associate or Sheristedar and the stenographer or person providing secretarial assistance, all other staff (including clerks, peons, etc) must leave the Court.
 - b. No one other than an Advocate on Record with a valid vakalatnama will be allowed to take inspection of the order.
3. Prohibited disclosures:
 - a. Any form of recording of any part of the proceedings is strictly forbidden.
 - b. If any order is to be released into the public domain, it will require a specific order of the Court. Even if a permission has been obtained, only the fully anonymised version of the order can be published.
 - c. Both sides and all parties, advocates and witnesses are forbidden from disclosing the contents of any order, judgment or filing to the media or publishing any such material in any mode or fashion by any means, including social media, without specific leave of the court. In fact, witnesses to the action, in addition to the usual oath, must sign a statement of non-disclosure and confidentiality.
4. Proceedings in other courts:
 - a. The Labour Courts and Industrial Courts shall be bound by these guidelines and shall strictly adopt and comply with these and any future guidelines.

The POSH Confidentiality Guidelines outlined above serve not only as a reference for the courts but also as a reminder to employers, Internal Committee (IC) members, witnesses, and all parties directly involved in a workplace sexual harassment complaint.

Furthermore, the Bombay High Court's ruling underscores the necessity for employers to adopt similar measures to ensure that sexual harassment complaints are investigated and addressed confidentially, safeguarding the identities of those involved.

In view of the above, it is safe to conclude that Confidentiality applies to any person handling a complaint of sexual harassment at the workplace. One of the best practices to ensure confidentiality which is widely accepted and followed is that the IC should have an NDA (Non-Disclosure Agreement)/Confidentiality Undertaking signed by individual being involved in the proceedings. Enforcing confidentiality terms through undertakings for parties and witnesses involved in the complaint can prove to be a safeguard against information leaks, consequently underscoring the organization's unwavering commitment to creating a secure workplace.

To start with the PoSH compliance implementation in your workplace, please don't hesitate to contact us at pooja@whitespan.in.

Please note: This article is for informational purposes only and should not be considered a substitute for formal or legal advice. If you have experienced sexual harassment, we encourage you to seek professional support or contact the appropriate authorities.

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LLM; BA LLB

Certified POSH Trainer | IC External Member



Article 3

Disclosures from Directors in first quarter

New Financial year comes with a list of compliances, both for the companies and its Directors.

In the first quarter of each financial year (April 1st to June 30th) under the Companies Act, 2013, directors are required to make certain disclosures to ensure compliance with corporate governance norms and statutory obligations. These disclosures are crucial for maintaining transparency, accountability, and legal compliance within the company. Below are the key disclosures by directors that need to be made during this period:

1. Disclosure of Interest in Other Entities (Form MBP-1)

- Section 184(1): Directors are required to disclose their interest in other companies or firms. This disclosure must be made in Form MBP-1 at the first Board meeting of every financial year.
- This ensures transparency regarding conflicts of interest.

2. Declaration of Independence (for Independent Directors)

- Section 149(7): Independent directors must provide a declaration of their independence at the first Board meeting in each financial year.
- This disclosure ensures that the independent directors must remain independent from management and major shareholders.

3. Disclosures of Interest in Contracts/Arrangements (Section 188)

- Section 188: Directors must disclose their interest in any related party transaction before such transactions are entered into. This includes any contract, arrangement, or transaction that the company may enter into with related parties.
- This disclosure typically happens at the Board meeting or before any related party transaction is finalized.

4. Disclosure of Shareholding in the Company (Form MGT-4 / MGT-5)

- Section 88 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014: Directors are required to disclose their shareholding in the company in Form MGT-4 (for new directors) or Form MGT-5 (for existing directors) at the time of their appointment or reappointment and whenever there is a change in shareholding.
- This must be disclosed to the company for proper maintenance of the Register of Directors' Shareholding.

5. Providing Form DIR-8 (Non-Disqualification of Director)

- Section 164(2): Directors must provide a declaration in Form DIR-8 to the company stating that they are not disqualified from being appointed as directors.
- This form should be filed with the company at the time of appointment or reappointment and annually thereafter.

These disclosures ensure that directors adhere to good corporate governance practices and comply with the statutory requirements under the Companies Act, 2013. Timely and accurate disclosures are critical for maintaining transparency and accountability in the company's operations.

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CS, MBA, LLB with post
qualification experience of 14 years
in Corporate Secretarial &
Governance matters



Case Laws

1. Vaibhav Goel & Anr. v. Deputy Commissioner of Income Tax & Anr.

Facts: M/s. Tehri Iron and Steel Casting Ltd. (the Corporate Debtor) underwent a Corporate Insolvency Resolution Process (CIRP), during which a Resolution Plan was approved by the National Company Law Tribunal (NCLT). The approved plan addressed certain income tax liabilities for the assessment year 2014-15 but did not include tax dues for the assessment years 2012-13 and 2013-14. Subsequently, the Income Tax Department issued demand notices for these earlier years, prompting the appellants to seek a declaration that such demands were invalid, as they were not part of the approved Resolution Plan.

Issues Raised: The core issue was whether income tax dues for assessment years not included in an approved Resolution Plan could be enforced against the Corporate Debtor after the plan's approval under Section 31 of the Insolvency and Bankruptcy Code (IBC).

Final Judgment: On March 21, 2025, the Supreme Court ruled that all dues, including statutory dues owed to the Central Government, which are not part of an approved Resolution Plan, stand extinguished once the plan is approved under Section 31 of the IBC. Consequently, the income tax demands for the assessment years 2012-13 and 2013-14, not included in the Resolution Plan, were deemed invalid and unenforceable against the Corporate Debtor.

2. Bank of Baroda v. Farooq Ali Khan & Ors.

Facts: Mr. Farooq Ali Khan, a promoter and director of Associate Décor Limited (the Corporate Debtor), had provided a personal guarantee for loans amounting to ₹244 crores availed by the company from a consortium of banks led by Bank of Baroda. Following defaults by the Corporate Debtor, Bank of Baroda invoked the personal guarantee and initiated insolvency proceedings against Mr. Khan under Section 95 of the Insolvency and Bankruptcy Code (IBC).

Issues Raised: The central issue was whether the High Court could intervene in the insolvency proceedings initiated under the IBC, particularly before the Resolution Professional (RP) submitted their report under Section 99 of the IBC.

Final Judgment: On February 20, 2025, the Supreme Court ruled that the High Court had overstepped its jurisdiction by intervening prematurely in the insolvency proceedings. The Court emphasized that the statutory process under the IBC should be allowed to proceed without judicial interference until the RP submits their report. Consequently, the Supreme Court restored the insolvency proceedings against Mr. Khan before the National Company Law Tribunal (NCLT) Bengaluru.

3. Independent Sugar Corporation Limited v. Girish Sriram Juneja & Ors.

Facts: During the Corporate Insolvency Resolution Process (CIRP) of Hindustan National Glass and Industries Limited (HNGIL), two resolution applicants—AGI Greenpac Limited (AGI) and Independent Sugar Corporation Limited (INSCO)—submitted resolution plans. Both plans proposed combinations requiring approval from the Competition Commission of India (CCI). The Resolution Professional permitted the applicants to seek CCI approval after obtaining the Committee of Creditors' (CoC) approval but before filing for NCLT's assent. AGI's plan received CoC's approval, and subsequently, AGI sought CCI's approval, which was granted with conditions. INSCO challenged this sequence, arguing that CCI approval should precede CoC approval.

Issues Raised: The primary issue was whether a resolution plan involving a combination requires CCI's approval before being presented to the CoC for approval under Section 30(4) of the IBC.

Final Judgment: In March 2025, the Supreme Court, by a 2:1 majority, held that for resolution plans proposing combinations, the requisite approval from the CCI must be obtained before the plan is placed before the CoC for approval. The Court emphasized that this sequence ensures compliance with competition laws and prevents potential anti-competitive outcomes.

4. K.S. Mehta vs. M/S Morgan Securities and Credits Pvt. Ltd.

Facts: Non-executive and independent directors of a company faced criminal proceedings under Sections 138 and 141 of the Negotiable Instruments Act (NI Act) due to dishonoured cheques issued by the company. The directors neither issued nor signed the cheques and had no role in their execution.

Issues Raised: Whether non-executive and independent directors can be held vicariously liable for the company's default under the NI Act without evidence of their direct involvement in the company's financial transactions.

Judgment: The Supreme Court ruled that non-executive and independent directors cannot be held liable under the NI Act unless their direct involvement in the company's financial transactions is established. The Court quashed the criminal proceedings against the directors, emphasizing that merely holding such positions does not automatically make them liable for the company's defaults.

5. Delhi Development Authority vs. S.G.G. Towers (P) Ltd. & Ors.

Facts: The Delhi Development Authority (DDA) executed an agreement to lease a plot to M/s Mehta Constructions in 1957, stipulating that no rights would be created until the lease deed was executed and registered. The lease deed was never executed. Subsequent transactions involved M/s Pure Drinks Pvt. Ltd. and later S.G.G. Towers (P) Ltd., which purchased the plot in an auction.

Issues Raised: Whether an agreement to lease without execution and registration of the lease deed creates leasehold rights and the validity of subsequent transactions based on such an agreement.

Judgment: The Supreme Court ruled in favor of the DDA, stating that no leasehold rights were created in favor of M/s Mehta Constructions due to the absence of an executed lease deed. Consequently, S.G.G. Towers acquired no rights over the plot. The Court clarified that DDA is entitled to pursue remedies for possession recovery and unearned income against S.G.G. Towers.

Compliance Checklist

COMPLIANCE CALENDAR FOR THE MONTH OF APRIL 2025

SUN	MON	TUE	WED	THU	FRI	SAT
		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			



Income Tax Related Compliance	
07 April	The last date to deposit tax deducted or collected is January 2025. For government offices, any TDS/TCS paid without a challan must be credited to the Central Government on the same day.
14 April	Due date for issue of TDS Certificate for tax deducted under section 194-IA in the month of February 2024 Due date for issue of TDS Certificate for tax deducted under section 194-IB in the month of February 2024 Due date for issue of TDS Certificate for tax deducted under section 194M in the month of February 2024 Due date for issue of TDS Certificate for tax deducted under section 194S in the month of February 2024
25 April	ITC-04 (Half-Yearly/Yearly)-to be filed by a manufacturer to report the summary of goods sent to or received from a job worker whose turnover is more than Rs.5 crore
GST Related Compliance	
7 April	ECB-2
10 April	GSTR-7 (Monthly) - (GST-TDS) GSTR-8 (GST-TCS)
11 April	GSTR 1 for March (Monthly)- Other than QRMP scheme
13 April	GSTR 1 for Jan-Mar 2025 (Quarterly)-QRMP-Invoice Furnishing Facility GSTR-5 (Monthly)- Non-Resident Taxable Person GSTR-6 (Monthly)-Input Service Distributor
18 April	CMP-08 for Jan-Mar 2025 (Quarterly)
20 April	GSTR-3B for March 2025 (Monthly) & GSTR-5A for OIDAR
22 OR 24 April	GSTR-3B for Jan-Mar (Quarterly) for QRMP taxpayers depending on the state or union territory of the principal of the business
30 April	GSTR-4 (Annual)



MCA

30 April

Form MSME -1 (outstanding payments to MSME's) For the period of October'24 – March'25

MISCELLANEOUS

15 April

ESIC payment
EPF payment

FOR FURTHER INFORMATION OR ASSISTANCE PLEASE CONTACT:

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Amendments to Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 vide the Securities and Exchange Board of India (Prohibition of Insider Trading) (Amendment) Regulations, 2025

-	Addition
-	Substitution

<u>Regulation No. and Heading</u>	<u>Prior to Amendment</u>	<u>Post Amendment</u>	<u>Effective Date</u>	<u>Remark</u>
2(1)- Definitions				
(n)"unpublished price sensitive information"				
(n)(iv) unpublished price sensitive information	Unpublished price sensitive information means any information, relating to a company or its securities, directly or indirectly, that is not generally available which upon becoming generally available, is likely to materially affect the price of the securities and shall, ordinarily including but not restricted to, information relating to the following: - mergers, de-mergers, acquisitions, delisting's, disposals and expansion of business and such other transactions	Unpublished price sensitive information means any information, relating to a company or its securities, directly or indirectly, that is not generally available which upon becoming generally available, is likely to materially affect the price of the securities and shall, ordinarily including but not restricted to, information relating to the following: -mergers, de-mergers, acquisitions, delisting's, disposals and expansion of business [award or termination of order/contracts not in the normal course of business] and such other transactions	10.06.2025	Any information relating to award or termination of order/contracts not in the normal course of business will also get covered under the definition of UPSI w.e.f. 10.06.2025.

(n)(v)	<p>Unpublished price sensitive information means any information, relating to a company or its securities, directly or indirectly, that is not generally available which upon becoming generally available, is likely to materially affect the price of the securities and shall, ordinarily including but not restricted to, information relating to the following:</p> <p>– changes in key managerial personnel</p>	<p>Unpublished price sensitive information means any information, relating to a company or its securities, directly or indirectly, that is not generally available which upon becoming generally available, is likely to materially affect the price of the securities and shall, ordinarily including but not restricted to, information relating to the following:</p> <p>–changes in key managerial personnel [other than due to superannuation or end of term, and resignation of a Statutory Auditor or Secretarial Auditor;]</p>	10.06.2025	<p>The following Information relating to [other than due to superannuation or end of term, and resignation of a Statutory Auditor or Secretarial Auditor;] will also be covered under the definition of UPSI w.e.f. 10.06.2025.</p>
After (n)(v)	<p>Unpublished price sensitive information means any information, relating to a company or its securities, directly or indirectly, that is not generally available which upon becoming generally available, is likely to materially affect the price of the securities and shall, ordinarily including but not restricted to, information relating to the following:</p>	<p>Unpublished price sensitive information means any information, relating to a company or its securities, directly or indirectly, that is not generally available which upon becoming generally available, is likely to materially affect the price of the securities and shall, ordinarily including but not restricted to, information relating to the following:</p>	10.06.2025	<p>The Highlighted points stated in the post amendment column Inserted by the Securities and Exchange Board of India (Prohibition of Insider Trading) (Amendment) Regulations, 2025 under the definition of UPSI (w.e.f. June 10, 2025)</p>

(vi) change in rating(s), other than ESG rating(s);
 (vii) fund raising proposed to be undertaken.
 (viii) agreements, by whatever name called, which may impact the management or control of the company.
 (ix) fraud or defaults by the company, its promoter, director, key managerial personnel, or subsidiary or arrest of key managerial personnel, promoter or director of the company, whether occurred within India or abroad.
 (x) resolution plan/ restructuring or one time settlement in relation to loans/borrowings from banks/financial institutions.
 (xi) admission of winding-up petition filed by any party /creditors and admission of application by the Tribunal filed by the corporate applicant or financial creditors for initiation of corporate insolvency resolution process against the company as a corporate debtor, approval of resolution plan or rejection

		<p>thereof under the Insolvency and Bankruptcy Code, 2016.</p> <p>(xii) initiation of forensic audit, by whatever name called, by the company or any other entity for detecting misstatement in financials, misappropriation/ siphoning or diversion of funds and receipt of final forensic audit report.</p> <p>(xiii) action(s) initiated, or orders passed within India or abroad, by any regulatory, statutory, enforcement authority or judicial body against the company or its directors, key managerial personnel, promoter or subsidiary, in relation to the company.</p> <p>(xiv) outcome of any litigation(s) or dispute(s) which may have an impact on the company.</p> <p>(xv) giving of guarantees or indemnity or becoming a surety, by whatever named called, for any third party, by the company not in the normal course of business.</p>		
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(xvi) granting, withdrawal, surrender, cancellation or suspension of key licenses or regulatory approvals.

Explanation 1-

For the purpose of sub-clause (ix):

a. 'Fraud' shall have the same meaning as referred to in Regulation 2(1)(c) of Securities and Exchange Board of India (Prohibition of Fraudulent and Unfair Trade Practices relating to Securities Market) Regulations, 2003.

b. 'Default' shall have the same meaning as referred to in Clause 6 of paragraph A of Part A of Schedule III of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Explanation 2-

For identification of events enumerated in this clause as unpublished price sensitive information, the guidelines for materiality referred at paragraph A of Part A of Schedule III of the Securities and Exchange Board of India

		(Listing Obligations and Disclosure Requirements) Regulations, 2015 as may be specified by the Board from time to time and materiality as referred at paragraph B of Part A of Schedule III of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 shall be applicable.”		
Regulation 3- Communication or procurement of unpublished price sensitive information				
After sub regulation (5)	The board of directors or head(s) of the organization of every person required to handle unpublished price sensitive information shall ensure that a structured digital database is maintained containing the nature of unpublished price sensitive information and the names of such persons who have shared the information and also the names of such persons with whom information is shared under this regulation along with the Permanent Account Number or any other identifier authorized by law where Permanent Account Number is not available. Such	The board of directors or head(s) of the organization of every person required to handle unpublished price sensitive information shall ensure that a structured digital database is maintained containing the nature of unpublished price sensitive information and the names of such persons who have shared the information and also the names of such persons with whom information is shared under this regulation along with the Permanent Account Number or any other identifier authorized by law where Permanent Account Number is not available. Such	10.06.2025	The following provision shall be inserted by the Securities and Exchange Board of India (Prohibition of Insider Trading) (Amendment) Regulations, 2025 (w.e.f. June 10, 2025) Provided that entry of information originating from external sources shall be recorded in the structured digital database within two calendar days from the date of receipt w.e.f. 10.06.2025

	database shall not be outsourced and shall be maintained internally with adequate internal controls and checks such as time stamping and audit trails to ensure non-tampering of the database.	database shall not be outsourced and shall be maintained internally with adequate internal controls and checks such as time stamping and audit trails to ensure non-tampering of the database. “Provided that entry of information, not emanating from within the organisation, in structured digital database may be done not later than 2 calendar days from the receipt of such information.”		
Schedule B Clause 4-				
After 4 (1)	Designated persons may execute trades subject to compliance with these regulations. Towards this end, a notional trading window shall be used as an instrument of monitoring trading by the designated persons. The trading window shall be closed when the compliance officer determines that a designated person or class of designated persons can reasonably be expected to have possession of unpublished price sensitive information. Such closure shall be imposed in relation to such	Designated persons may execute trades subject to compliance with these regulations. Towards this end, a notional trading window shall be used as an instrument of monitoring trading by the designated persons. The trading window shall be closed when the compliance officer determines that a designated person or class of designated persons can reasonably be expected to have possession of unpublished price sensitive information. Such closure shall be imposed in relation to such	10.06.2025	The following provision shall be inserted by the Securities and Exchange Board of India (Prohibition of Insider Trading) (Amendment) Regulations, 2025 (w.e.f. June 10, 2025) Provided that for Unpublished Price Sensitive Information (UPSI) originating outside the Listed Company, the trading window may remain open.

	securities to which such unpublished price sensitive information relates. Designated persons and their immediate relatives shall not trade in securities when the trading window is closed.	securities to which such unpublished price sensitive information relates. Designated persons and their immediate relatives shall not trade in securities when the trading window is closed. “Provided that for unpublished price sensitive information not emanating from within the Listed Company, trading window may not be closed.		
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