



WHITESPAN  
A d v i s o r y

# WINS

(WHITESPAN INFORMATION AND NEWS SERVICES)

A GATEWAY TO KNOWLEDGE

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Monthly Newsletter  
AUGUST 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 July, 2025, MAA Foundation organized various POSH awareness sessions and also imparted vocational skill trainings to young girls under the "SUI DHAGA PROJECT".**

## **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 99<sup>th</sup> Edition of “WINS – E-Newsletter” for August 2025, covering legal updates released during the month of August 2025, articles shared by respected professionals, Case Laws and compliance calendar for the month of August 2025.

In this issue, we have covered the following:

1. Corporate Updates from MCA, SEBI, RBI, CBIC, CBDT and other miscellaneous Laws
2. Article on Safeguarding Workplace Dignity: POSH Committee Reaffirms Zero Tolerance
3. Case Laws
4. Compliance checklist for the month of August 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](mailto:vinayshukla@whitespan.in) or +91 9810 624 262

With warm regards,

**TEAM WINS (Whitespan Information and News Services)**  
**August 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. Shweta Chaturvedi**, a member of The Institute of Company Secretaries of India (ICSI) and a post-graduate in commerce from CSJMU, Kanpur
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



# Ministry of Corporate Affairs (MCA)

## 1. Companies(Listing of equity shares in permissible jurisdictions) Amendment Rules, 2025

**Date of Notification:** July 03, 2025

**Effective date:** July 03, 2025

**Link:**

<https://www.mca.gov.in/bin/dms/getdocument?mds=x0Tqw4cwkkPubwESbOajAA%253D%253D&type=open>

The Ministry of Corporate Affairs vide its notification dated Jul 03, 2025, has made an amendment in the Companies (Listing of equity shares in permissible jurisdiction) A m e n d m e n t Rules, 2025 by introducing the Companies (Listing of equity shares in permissible jurisdictions) Amendment Rules, 2025. These new rules, enacted under the Companies Act, 2013, modify the existing Companies (Listing of equity shares in permissible jurisdictions) Rules, 2024. The primary change involves the substitution of Form LEAP – 1 within the Second Schedule of the 2024 rules.

## 2. The Companies (Corporate Social Responsibility Policy) Amendment Rules, 2025.

**Date of Notification:** July 07, 2025

**Effective date:** July 14, 2025

**Link:** <https://www.mca.gov.in/bin/dms/getdocument?mds=niVkKkeB1Qpcvmxy9DtsJg%253D%253D&type=open>

The Ministry of Corporate Affairs, vide its notification dated July 03, 2025, has notified the Companies (Corporate Social Responsibility Policy) Amendment Rules, 2025. The amendment revises e-Form CSR-1, which entities must file to register as eligible CSR implementing agencies under Section 135 of the Companies Act, 2013. The revised CSR-1 mandates detailed disclosures, including, Approvals under Section 80G of the Income Tax Act and Registrations under Section 12A or exemptions under Section 10(23C). Eligible entities include Section 8 companies, registered societies, and trusts established under applicable laws or by the Central/State Government. Entities not set up by companies must demonstrate a minimum three-year track record in carrying out CSR activities.

Key changes introduced include:

- Mandatory PAN
- OTP-verified email ID
- Digital Signature Certificate (DSC)
- Certification by a practicing Chartered Accountant (CA), Company Secretary (CS), or Cost Accountant (CMA)

It is also emphasized that false declarations will attract penalties under Sections 448 and 449 of the Companies Act, 2013. Companies are advised to ensure that their selected CSR partners are compliant with the revised CSR-1 requirements and maintain updated records. For NGOs, updated registrations and duly certified applications are now essential prerequisites for undertaking new CSR projects.



### 3. Introduction of MCA21 V3 Company Module – Lot-3 by the Ministry of Corporate Affairs

**Date of Notification:** July 07, 2025

**Effective date:** July 14, 2025

**Link:**

<https://www.mca.gov.in/bin/dms/getdocument?mds=obd2Sfxdh0Lui3yMybiT7A%253D%253D&type=open>

The Ministry of Corporate Affairs (MCA) has rolled out the MCA21 V3 Company Module – Lot-3, introducing updates across 38 forms, including annual filings, audit forms, and filings under the Companies Act, 1956.

Key Highlights of the form are as under:

- **Director's Report:** No longer required as an attachment; replaced by a web-based format linked to AOC-4 NBFC.
- **CSR Disclosures:** To be filed separately through CSR-2 or Extracts of the Board's Report.
- **Linked Filings:** Enabled for forms involving consolidated financials and auditor reports.
- **Insolvency Filings:** Companies under Liquidation/CIRP can now file through IRP/RP/Liquidator.
- **Compliance Enhancements:** Auto-populated data from prior filings, Improved form layouts, Excel-based offline submission, Compliance checks as per Companies (Accounts) Rules, 2014.
- **Updated Forms:** Includes revised AOC-1 CFS and AOC-2 with mandatory linking.
- **User Transition:** SRN migration from MCA V2 to V3 supported; legacy user ID transition enabled.

**For more details, kindly refer to the above-mentioned link.**



# **Securities Exchange Board of India (SEBI)**

## 1. Ease of Doing Investment - Special Window for Re-lodgement of Transfer Requests of Physical Shares

**Date of Circular:** July 02, 2025

**Effective date:** July 07, 2025

**Link:**

[https://www.sebi.gov.in/legal/circulars/jul-2025/ease-of-doing-investment-special-window-for-re-lodgement-of-transfer-requests-of-physical-shares\\_94973.html](https://www.sebi.gov.in/legal/circulars/jul-2025/ease-of-doing-investment-special-window-for-re-lodgement-of-transfer-requests-of-physical-shares_94973.html)

SEBI, vide its Circular dated July 2, 2025, has introduced a special six-month window—effective from July 7, 2025, to January 6, 2026—for the re-lodgement of physical share transfer requests. This initiative is intended to address grievances of investors whose physical share transfer deeds, submitted prior to April 1, 2019, were rejected, returned, or remained unprocessed due to deficiencies. Although physical share transfers were discontinued from April 1, 2019, and an earlier re-lodgement deadline had been set as March 31, 2021, this extended window has now been provided to facilitate investor convenience and safeguard their rights. All re-lodged requests, including those pending, will be processed only in dematerialized form through a transfer-cum-demat mechanism. Listed companies, Registrars to an Issue and Share Transfer Agents (RTAs), and stock exchanges are directed to disseminate information about this initiative on a bi-monthly basis. Furthermore, listed companies must deploy dedicated teams to handle these re-lodgement requests, maintain records of their publicity efforts, and submit monthly reports detailing the status of transfer-cum-demat requests.

## 2. Master Circular for ESG Rating Providers (ERPs)

**Date of Circular:** July 11, 2025

**Effective date:** July 11, 2025

**Link:**

[https://www.sebi.gov.in/legal/master-circulars/jul-2025/master-circular-for-esg-rating-providers-erps-\\_95219.html](https://www.sebi.gov.in/legal/master-circulars/jul-2025/master-circular-for-esg-rating-providers-erps-_95219.html)

SEBI, vide its Master Circular dated July 11, 2025, has released a consolidated framework for ESG Rating Providers (ERPs). This Master Circular brings together all existing guidelines and procedural requirements under the SEBI (Credit Rating Agencies) Regulations, 1999, as amended. The circular details general obligations, compliance requirements, and the systems and infrastructure that ERPs must maintain. While this circular supersedes previous individual circulars, any actions taken, applications made, or obligations incurred under earlier versions will remain valid. The responsibility for ensuring compliance lies with the Board of Directors of the ERPs, and SEBI will monitor adherence through the mandatory annual internal audits.

Further in accordance with the circular stakeholders are advised to keep the above provisions in consideration when dealing with or engaging ESG Rating Providers.

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

### 3. Master Circular for listing obligations and disclosure requirements for Non-convertible Securities, Securitized Debt Instruments and/ or Commercial Paper

**Date of Circular:** July 11, 2025

**Effective date:** July 11, 2025

**Link:**

[https://www.sebi.gov.in/legal/master-circulars/jul-2025/master-circular-for-listing-obligations-and-disclosure-requirements-for-non-convertible-securities-securitized-debt-instruments-and-or-commercial-paper\\_95230.html](https://www.sebi.gov.in/legal/master-circulars/jul-2025/master-circular-for-listing-obligations-and-disclosure-requirements-for-non-convertible-securities-securitized-debt-instruments-and-or-commercial-paper_95230.html)

SEBI, vide its Master Circular dated July 11, 2025, has consolidated all previous circulars relating to listing obligations and disclosure requirements for issuers of non-convertible securities, securitized debt instruments, and commercial paper. It serves as a single comprehensive reference, superseding earlier circulars listed in Annex-1. Actions taken or applications filed under the previous circulars will continue to be valid under the corresponding provisions of this Circular. Stock exchanges, issuers, and other stakeholders are directed to ensure compliance, implement necessary infrastructural and procedural changes, update their bye-laws, and disseminate the circular's provisions for effective implementation.

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



## 4. Master Circular for Real Estate Investment Trusts (REITs)

**Date of Circular:** July 11, 2025

**Effective date:** July 11, 2025

**Link:**

<https://www.sebi.gov.in/legal/master-circulars/jul-2025/master-circular-for-real-estate-investment-trusts-reits-95232.html>

SEBI, vide its Master Circular dated July 11, 2025, has consolidated various guidelines relating to Real Estate Investment Trusts (REITs) issued until that date. The circular provides a unified reference framework for all stakeholders, including REITs, stock exchanges, depositories, and other intermediaries, to ensure consistency in compliance and implementation of applicable regulations. It supersedes the earlier circulars listed in its Appendix. However, actions taken, applications filed, or obligations incurred under the superseded circulars prior to this issuance shall continue to remain valid and will be treated as having been undertaken under the relevant provisions of this Master Circular. Further, Ongoing investigations, legal proceedings, or penalties under the previous framework will also remain unaffected. For further details, kindly refer the above-mentioned link.

## 5. Master Circular for Infrastructure Investment Trusts (INVITs)

**Date of Circular:** July 11, 2025

**Effective date:** July 11, 2025

**Link:**

<https://www.sebi.gov.in/legal/master-circulars/jul-2025/master-circular-for-infrastructure-investment-trusts-invits-95233.html>

SEBI, vide its Master Circular dated July 11, 2025, has consolidated various circulars issued in relation to Infrastructure Investment Trusts (InvITs) up to that date. This consolidation is intended to provide a single, accessible reference document for all stakeholders, including InvITs, stock exchanges, and other intermediaries. The Master Circular supersedes the earlier circulars listed in its Appendix; however, any actions taken, registrations granted, investigations initiated, or obligations incurred under the superseded circulars shall continue to remain valid and will be deemed to have been undertaken under the corresponding provisions of this Circular. Pending applications will also be considered in accordance with its provisions. Additionally, any specific SEBI directions, guidance, or other applicable laws relating to InvITs will continue to remain in force alongside this Circular. Further, Stock exchanges are directed to publish the circular on their websites, and entities regulated under the InvIT framework are required to comply with the reporting obligations prescribed in the consolidated guidelines.

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

## 6. Master Circular for Credit rating Agency (CRAs)

**Date of Circular:** July 11, 2025

**Effective date:** July 11, 2025

**Link:**

<https://www.sebi.gov.in/legal/master-circulars/jul-2025/master-circular-for-credit-rating-agencies-cras-95221.html>

, SEBI, vide its Master Circular dated July 11, 2025, has issued a consolidated framework for Credit Rating Agencies (CRAs) under the SEBI (Credit Rating Agencies) Regulations, 1999. The circular compiles all existing operational and procedural guidelines to provide a single-point reference for CRAs, issuers of non-convertible securities, securitized instruments, municipal debt securities, commercial papers, as well as stock exchanges and depositories. It supersedes earlier individual circulars (listed in the appendix), while preserving the validity of actions taken under them. Issued under Section 11(1) of the SEBI Act, 1992 read with Regulation 20 of the CRA Regulations, the circular includes chapter-wise details of past directions and serves as a comprehensive guide for credit rating operations.

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



# **RESERVE BANK OF INDIA** **(RBI)**

## 1. Reserve Bank of India (Pre-payment Charges on Loans) Directions, 2025

**Date of Notification:** July 02, 2025

**Effective Date:** January 01, 2026

**Link:** <https://www.rbi.org.in/Scripts/NotificationUser.aspx?Id=12878&Mode=0>

RBI, vide its Notification dated July 2, 2025, has issued revised norms on the levy of pre-payment charges on loans, which will come into effect from January 1, 2026. These directions aim to address inconsistencies in the practices followed by regulated entities, especially concerning Micro and Small Enterprises (MSEs), and to discourage restrictive clauses that hinder borrowers from switching lenders. As per the new guidelines, no pre-payment charges shall be levied on floating rate loans extended to individuals for non-business purposes. In the case of floating rate loans granted to individuals and MSEs for business purposes, most commercial banks, specified urban co-operative banks, Non-Banking Financial Companies (NBFCs), and All India Financial Institutions are barred from charging pre-payment penalties. Additionally, Small Finance Banks and Regional Rural Banks are not permitted to levy such charges on business loans up to ₹50 lakh. These norms are applicable irrespective of the source of funds used for pre-payment and without any mandatory lock-in period. For other categories of loans, the levy of pre-payment charges must be in line with the regulated entity's Board-approved policy and must be transparently disclosed in the loan documentation.



## **2. Foreign Exchange Management (Export of Goods & Services) (Amendment) Regulations, 2025**

**Date of Notification:** July 11, 2025

**Effective Date:** July 11, 2025

**Link:** [https:// www.rbi.org.in/scripts/NotificationUser.aspx?Id=12879](https://www.rbi.org.in/scripts/NotificationUser.aspx?Id=12879)

RBI, vide its dated July 11, 2025, has amended the Foreign Exchange Management (Export of Goods & Services) Regulations, 2015. The amendment, introduces a new sub-regulation (ca) under Regulation 4 of the principal regulations. It specifically includes “Tugs or Tug Boats, Dredgers and Vessels used for providing offshore support services, subject to their re-import into India” within the scope of permitted exports. This amendment, issued under Sections 7 and 47 of the Foreign Exchange Management Act, 1999, broadens the categories of goods considered for export, with a focus on certain marine vessels.

### 3. Draft Master Direction – Digital Banking Channels Authorisation (Directions), 2025

**Date of Notification:** July 21, 2025

**Effective Date:** July 21, 2025

**Link:** [https://www.rbi.org.in/Scripts/BS\\_PressReleaseDisplay.aspx?prid=60870](https://www.rbi.org.in/Scripts/BS_PressReleaseDisplay.aspx?prid=60870)

RBI, vide its Notification dated July 2, 2025, issued a draft Master Direction on Digital Banking Channels Authorisation (Directions), 2025), inviting public comments until August 11, 2025. The Directions will apply to all commercial and cooperative banks in India upon final issuance.

The draft defines digital banking channels to include internet, mobile, and electronic banking services. It categorizes them into “View Only” (non-transactional) and “Transactional” (fund-based and non-fund-based) services. Banks offering view-only services must have CBS and IPv6 infrastructure and submit a GAICA report to the RBI. Transactional services require prior RBI approval and compliance with capital, net worth, technical capability, and regulatory standards.

The draft also mandates adherence to existing IT security, fraud risk, and customer protection norms. Once finalized, it will repeal all previous circulars on internet and mobile banking, aiming to streamline and strengthen digital banking regulation.

## 4. Draft Master Direction – Business Authorization for Co-operative Banks (Directions), 2025

**Date of Notification:** July 28, 2025

**Effective Date:** July 28, 2025

**Link:** [https://www.rbi.org.in/Scripts/BS\\_PressReleaseDisplay.aspx?prid=60909](https://www.rbi.org.in/Scripts/BS_PressReleaseDisplay.aspx?prid=60909)

RBI, vide its Notification dated July 28, 2025, issued the draft *Reserve Bank of India (Business Authorization for Co-operative Banks) Directions, 2025*, applicable to all UCBs, StCBs, and DCCBs.

The draft introduces a four-tier classification of UCBs based on deposit size and replaces the earlier FSWM norms with new Eligibility Criteria for Business Authorization (ECBA). Banks meeting ECBA requirements can seek approvals for activities such as expanding their area of operation and opening new places of business.

UCBs may expand within or beyond their registered state based on their tier and compliance status, with prior RBI approval required in certain cases. A Board of Management (BoM) is mandatory for Tier 2 and above. DCCBs and StCBs must align changes in area of operation with state government notifications. Opening new branches or offices also requires prior RBI approval.

## 5. Reserve Bank of India (Investment in AIF) Directions, 2025

**Date of Notification:** July 29, 2025

**Effective Date:** January 10, 2026

**Link:** <https://www.rbi.org.in/Scripts/NotificationUser.aspx?Id=12886&Mode=0>

RBI, vide its Notification dated July 2, 2025, issued the Reserve Bank of India (Investment in AIF) Directions, 2025, replacing its earlier circulars dated December 19, 2023, and March 27, 2024.

Under the new framework, no single regulated entity (RE) can invest more than 10% of the total corpus of an AIF scheme, and the aggregate investment by all REs in any such scheme is capped at 20%. Additionally, if an RE contributes over 5% to an AIF that has downstream non-equity investments in a company which is a debtor of the RE, it must make a 100% provision corresponding to its indirect exposure through the AIF, limited to its direct exposure to that debtor. Moreover, where the RE's investment in the AIF is in the form of subordinated units, the entire amount must be deducted from its capital funds, proportionately from Tier-1 and Tier-2 capital, as applicable.

The Directions also provide certain exemptions. Investments made under prior RBI approvals in accordance with the 2016 Master Directions are not subject to the new percentage limits. Further, the RBI may, in consultation with the Government of India, exempt certain AIFs from the revised norms, although all REs must still comply with the general investment policy requirements.

With the issuance of these Directions, the two earlier circulars stand repealed from the effective date. However, any outstanding investments or commitments made prior to the effective date may continue to follow either the previous circulars or the new Directions, provided the chosen framework is applied in its entirety. These revised norms aim to strengthen regulatory oversight and mitigate indirect exposure risks of REs through AIF structures.



# Central Board of Direct Taxes (CBDT)



## **1. Relaxation of time limit for processing of valid returns of income filed electronically pursuant to order u/s 119(2)(b) of the Income-tax Act, 1961 passed by Competent Authority-reg**

**Date of Circular:** June 25, 2025

**Effective Date:** June 25, 2025

**Link:** <https://incometaxindia.gov.in/communications/circular/circular-no-07-2025.pdf>

The Central Board of Direct Taxes (CBDT) has relaxed the time limit for processing income tax returns (ITRs) filed late but condoned under Section 119(2)(b) of the Income-tax Act, 1961. Due to technical reasons, several such returns filed before March 31, 2024, could not be processed within the prescribed period under Section 143(1), resulting in non-receipt of refunds. Now, in exercise of its powers under Section 119, the CBDT has allowed these returns to be processed, and corresponding intimations under Section 143(1) can be sent to assesseees by March 31, 2026. However, this relaxation does not apply to cases where assessment, reassessment, or recomputation has already been completed. Refunds (with interest) will be issued where due, except in cases where PAN-Aadhaar linkage is not established.



# **CENTRAL BOARD OF INDIRECT TAXES & CUSTOMS** (CBIC)

# **1. Generation and quoting of Document Identification Number(DIN) on any communication issued by the officers of the Central Board of Indirect Taxes and Customs (CBIC) to tax payers and other concerned persons**

**Date of Circular:** June 09, 2025

**Effective Date:** June 09, 2025

**Link:** <https://taxinformation.cbic.gov.in/content-page/explore-circulars>

CBIC has clarified that for communications issued through the GST common portal, which already carry a verifiable Reference Number (RFN), quoting a Document Identification Number (DIN) is not required. This is because RFN serves as a unique, electronically verifiable identifier, ensuring transparency and authenticity. The clarification aligns with Section 169(1)(d) of the CGST Act, 2017, and follows earlier directives to serve documents like Show Cause Notices and Orders electronically via the portal. As a result, communications bearing an RFN will be considered valid even without a DIN.

# Miscellaneous Laws

# Insolvency and Bankruptcy Board of India

## 1. IBBI (Insolvency Resolution Process for Corporate Persons) (Fifth Amendment) Regulations, 2025

**Date of Notification:** July 04, 2025

**Effective date:** July 04, 2025

**Link:** <https://ibbi.gov.in/uploads/legalframework/c6396cff47bd23b1b6a5445da6e905cc.pdf>

IBBI, vide its Notification dated July 04, 2025 has notified amendments to the existing 2016 regulations concerning the corporate insolvency resolution process. The amendments include changes to Regulation 36, which now requires the information memorandum to contain details of all identified avoidance transactions or instances of fraudulent/wrongful trading under the Insolvency and Bankruptcy Code, along with any related filings made before the Adjudicating Authority. Furthermore, a new sub-regulation (2A) has been inserted under Regulation 38, providing that a resolution plan shall not include the assignment of such avoidance or fraudulent transactions unless they have been disclosed in the information memorandum and communicated to all prospective resolution applicants prior to the submission deadline. This restriction does not apply to resolution plans that have already been filed with the Adjudicating Authority before the commencement of the amended regulations.



## NSE

### 1. Filing of Announcements pertaining to Awarding, bagging/ receiving of orders/contracts in XBRL format on NSE Electronic Application Processing System (NEAPS) platform.

**Date of Notification:** July 07, 2025

**Effective date:** July 07, 2025

**Link:** <https://nsearchives.nseindia.com/web/circular/2025-07/Circular Awarding 20250707174416.pdf>

The National Stock Exchange (NSE), vide its circular dated July 7, 2025, has mandated that all listed companies are required to submit disclosures related to the awarding, receiving, amendment, or termination of orders/contracts in XBRL format through the NEAPS platform. This directive aligns with previous circulars and applies to disclosures made under Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. While initial submissions in PDF format will be treated as regulatory compliance, listed entities must also upload the corresponding XBRL filing within 24 hours of the PDF submission.

The circular highlights that several companies have previously submitted such disclosures under incorrect categories like “Updates” or “Press Releases.” Going forward, further the companies are instructed to use the designated category “Awarding/Bagging/Receiving of order(s)/contract(s)” and ensure adherence to all disclosure parameters prescribed under SEBI circulars. For further assistance, companies may contact the Listing Compliance team via the NEAPS platform or through the official NSE email.

# Article 1

## **Safeguarding Workplace Dignity: POSH Committee Reaffirms Zero Tolerance**

In June 2025, Internal Committee (IC) of Nexora Finserve Pvt. Ltd. undertook a sensitive and thorough inquiry into a complaint of sexual harassment filed by Ms. Riya Mehta, a Customer Care Executive (CCE) stationed at one of their branches in Delhi. The complaint, supported by CCTV footage, alleged repeated instances of inappropriate and unwelcome conduct by her Branch Manager, Mr. Anil Sharma. While the events described are real, names and certain identifying details have been changed to protect the confidentiality of those involved.

### **Understanding Sexual Harassment**

Under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (hereinafter referred to as the “POSH Act”), “sexual harassment” includes any unwelcome act or behavior, whether verbal, physical, or non-verbal, of a sexual nature. This may involve physical contact, sexually coloured remarks, or any conduct that creates a hostile, offensive, or unsafe working environment. The POSH Act is rooted in the principle that workplace safety and dignity are non-negotiable. It also recognizes that sexual harassment is not limited to overtly sexual acts; it includes any conduct that crosses personal boundaries and makes the recipient uncomfortable, particularly in professional settings.

### **The Complaint**

Ms. Mehta alleged repeated incidents of inappropriate conduct by Mr. Sharma. These included unsolicited comments about her appearance, unwelcome personal remarks suggesting romantic interest, and instances of unwanted physical contact—such as hovering too close or placing his hand over hers while she was working. Despite her expressing discomfort and verbally warning him several times, the behavior continued. The Complainant highlighted that her earlier professional rapport with Mr. Sharma, such as attending a family gathering with other colleagues, was now being misconstrued to justify inappropriate behavior. She also shared that another staff member, Ms. Sameera, had experienced similar misconduct by Mr. Sharma in the past. Ms. Sameera later confirmed this during her deposition, describing a specific incident in which Mr. Sharma placed his hand on her neck while reprimanding her.

## **The Respondent's Stand**

Mr. Sharma denied any wrongful intent. He admitted to certain physical gestures but described them as casual and non-sexual. He argued that the complaint may have been prompted by a recent disagreement between them. He also pointed to past instances of cordiality between him and the Complainant to downplay the seriousness of the allegations.

## **Power and Perception: The Imbalance at Play**

A significant factor in the IC's assessment was the power differential between the Complainant and the Respondent. As the Branch Manager, Mr. Sharma held a position of authority and influence over junior staff. In such scenarios, even seemingly informal or 'friendly' behavior can take on coercive undertones, particularly when it involves repeated boundary-crossing and when the recipient has less power or autonomy in the professional dynamic.

Power imbalance magnifies the impact of inappropriate conduct—what may appear casual to one party can be experienced as intimidating, unwelcome, and difficult to refuse by the other. This is why consent in workplace interactions must always be clear, mutual, and respectful of professional boundaries.

## **Findings and Recommendation**

After reviewing the evidence, including CCTV footage capturing the Respondent's unwelcome contact with the Complainant, witness statements, and the Respondent's own admissions, the Committee concluded that the Respondent's conduct amounted to sexual harassment under the POSH Act. The Committee noted that Mr. Sharma had previously been cautioned for similar behavior, further reinforcing a pattern of inappropriate conduct. His casual demeanor during the proceedings and blurred boundaries with staff underscored the need for decisive action.

In light of these findings, the IC unanimously recommended that Mr. Sharma's services be discontinued, citing the need to ensure workplace safety and uphold the organization's commitment to a harassment-free environment.

## Key Takeaways

This case underscores that:

1. Sexual harassment is defined by the impact on the recipient—not the intent of the perpetrator.
2. Workplace power dynamics demand greater responsibility from those in leadership roles.
3. Consent, comfort, and clear boundaries are essential to professional respect.

Let this serve as a collective reminder that every employee is entitled to a workplace free from harassment—where dignity, equity, and accountability are foundational, not optional.

Author:

Pooja Vohra

LLM; BA LLB

Certified POSH Trainer / IC External Member





# Case Laws



## **1. Jay Kishor Chaturvedi & Others v. SEBI | 2025 INSC 846 (decided on July 15, 2025)**

### **Background:**

The appellants, Jaykishor Chaturvedi and others, were promoter-directors of Brijlaxmi Leasing and Finance Ltd. SEBI found them in violation of the SEBI (Prohibition of Insider Trading) Regulations, 1992, for trading in the company's shares without proper disclosures during 2012–2013. An adjudicating officer imposed monetary penalties under Section 15-I of the SEBI Act on August 28, 2014, which were upheld by the Securities Appellate Tribunal (SAT) and ultimately affirmed by the Supreme Court in 2019. After the appellants failed to pay, SEBI issued recovery notices on May 13, 2022, including 12% per annum interest calculated from the date of the original adjudication. Attachment orders followed, and the SAT rejected the appellants' challenge. They then appealed to the Supreme Court.

### **Question of Law:**

Whether SEBI is legally entitled to impose and recover interest at the rate of 12% per annum on adjudicated penalties from the date of the original penalty order (August 28, 2014), or whether interest accrual begins only from the issuance of the SEBI recovery notice (May 13, 2022).

### **Judgment and Conclusion:**

The Supreme Court dismissed the appeals, holding that **\*\*interest on unpaid penalties under the SEBI Act is statutory and compensatory\*\***. It ruled that **\*\*section 28A of the SEBI Act\*\***, along with **\*\*section 220(2) of the Income Tax Act\*\***, permits SEBI to recover interest from the **\*\*expiry of the payment period specified in the adjudication order\*\***, not from a later demand notice. Though the original adjudication order did not explicitly mention interest, the Court clarified that the **\*\*liability to pay interest arises by statute, not by discretion\*\***, and the adjudicating officer's directive to pay within 45 days sufficed as the effective notice. The Court also clarified that Explanation 4 to Section 28A (inserted in 2019) merely reiterated the pre-existing legal position and thus applied retroactively. Therefore, SEBI acted within its powers in calculating interest from 2014, and the appellants are required to pay the computed interest within 15 days.

## **2. Belvedere Resources DMCC Vs. OCL Iron and Steel Ltd & Ors**

### **Background:**

Belvedere Resources DMCC, a UAE-based coal trader, filed a petition under Section 9 of the Arbitration and Conciliation Act, 1996 before the Delhi High Court. The dispute arose from an international coal supply deal initiated via WhatsApp by SM Niryat Pvt. Ltd. (Respondent No. 1) on 30.09.2022. Belvedere offered to supply 75,000–150,000 MT of coal, which was accepted informally through WhatsApp and email. A formal Standard Coal Trading Agreement (SCoTA) with an SIAC arbitration clause was circulated, acknowledged by SMN, but never signed. Despite confirmations, no payments were made. On 15.11.2022, SMN unilaterally canceled the deal. Belvedere, having incurred costs by nominating a vessel, invoked SIAC arbitration and sought interim monetary relief (\~₹23.34 crores) from the Delhi High Court. Respondents opposed on grounds of jurisdiction, lack of arbitration agreement, and failure to meet the threshold for interim relief.

### **Questions of Law:**

1. Whether WhatsApp and email exchanges amounted to a valid arbitration agreement under Section 7 of the Act?
2. Whether the Delhi High Court had territorial jurisdiction under Section 9?
3. Is the petitioner entitled to interim relief for monetary security?

### **Findings and Rationale:**

1. Validity of Arbitration Agreement: The Court held that formal signatures are not essential if core terms are agreed in writing. Based on Section 7(4)(b), the WhatsApp and email communications, along with the circulated SCoTA and respondents' acceptance, constituted a valid arbitration agreement. This was consistent with *\*Trimex v. Vedanta\** (2010) and *\*Shakti Bhog v. Kola Shipping\** (2009).
2. Territorial Jurisdiction: The Delhi High Court lacked jurisdiction as none of the transaction's elements occurred in Delhi, and the Delhi branch of Respondent No. 1 was non-functional. The mere existence of a branch office didn't confer jurisdiction, in line with *ABC Laminart* (1989) and *Rattan Singh\** (2007).
3. Interim Relief:

The Court denied interim monetary security. It found no proof that the respondents were dissipating assets or acting fraudulently to defeat future arbitration awards. The claim involved unliquidated damages, not a crystallized debt. The threshold for interim protection under Section 9 and Order XXXVIII Rule 5 CPC was not met, consistent with *\*Sanghi Industries\** (2022) and *\*Adhunik Steels\** (2007).

### **3. Univastu India Ltd. & Ors. v. Setubandhan Infrastructure Ltd. & Ors., decided by NCLAT on 9 July 2025**

#### **Background:**

Setubandhan Infrastructure Ltd. underwent the Corporate Insolvency Resolution Process (CIRP) in November 2022. Univastu India Ltd. emerged as the Successful Resolution Applicant (SRA), and the Resolution Professional (RP) filed for approval of the resolution plan under Sections 30(6) and 31 of the IBC. The Committee of Creditors (CoC) approved the plan with a 98.57% majority. However, the Adjudicating Authority (NCLT, Mumbai) rejected the plan on 24 March 2025, citing procedural violations, valuation inconsistencies, and failure to consider certain claims and statutory dues. Aggrieved, both the RP and SRA filed appeals under Section 61 of the IBC.

#### **Question of Law:**

Whether the Adjudicating Authority was justified in rejecting the CoC-approved resolution plan based on alleged procedural lapses, valuation inconsistencies, and non-compliance with certain statutory provisions, and whether it could override the commercial wisdom of the CoC.

#### **Judgment and Conclusion:**

The NCLAT allowed the appeals, setting aside the NCLT's order. It held that the Adjudicating Authority had overstepped its jurisdiction by substituting its own views over the CoC's commercial wisdom. The tribunal found that discrepancies in valuation figures were already explained during CoC meetings and did not justify plan rejection. The RP's actions in handling disputed properties, EPFO claims, and alleged procedural lapses were deemed reasonable and compliant with IBC. The NCLAT emphasized that judicial review in such matters is limited and cannot override CoC's decision unless there is a clear breach of statutory provisions, which was absent here. The matter was remanded to the CoC for reconsideration of specific queries, and the CIRP period was extended by 90 days. Observations against the RP were also expunged.

# Compliance Checklist

## COMPLIANCE CALENDAR FOR THE MONTH OF AUGUST 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
31						

Tax Related Compliance	
	<ul style="list-style-type: none"> <li>GSTR-5-Non-Resident Taxable Person</li> <li>GSTR-6-Input Service Distributor</li> </ul>
	PF / ESIC payment for August-25
	GSTR 3B - Summary of all Inward and Outward Supplies, Tax Liability, and ITC claimed
	GSTR 1 - Details of outward supplies of taxable goods /services effected
	TDS certificate (form16B, 16C,16D,16E)
	Challan-cum-statement for tax deducted under 194IA, 194IB, 194M
	Due date for deposit of TDS/TCS for the month of August 2025.
	GSTR-5A OIDAR (Online Information & Database Access or Retrieval) service providers
	IFF (optional) Taxpayers under QRMP scheme (Monthly B2B invoice details if opted)
SEBI Compliances	
	<ul style="list-style-type: none"> <li>Regulation 32 (1) - Statement of deviation(s) or variation(s).(within 45 days from the end of the quarter )</li> <li>Regulation 33 (3) (a) - Financial Results alongwith Limited review report/Auditor's report</li> </ul>
FEMA Compliances	
	ECB-2 Return
	SEZ- MPR



### Miscellaneous compliances

- Payment and filing of ESIC Return for the month of July 2025 ESI challan
- Payment and filing of PF Return for the month of July 2025 (ECR)

### MCA compliances

MGT-7 for financial year Jan 24 to Dec 24

**FOR FURTHER INFORMATION OR ASSISTANCE PLEASE CONTACT:**

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