

LEGAL BRIEFS: BI-WEEKLY LEGAL UPDATES

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Synergia Legal is bringing to you a fortnightly compilation of digestible summaries of key legal developments and case laws impacting the business, commercial and economic landscape in India:

CORPORATE LAWS

1. The Ministry of Corporate Affairs (MCA) notified the Companies (Compromises, Arrangements and Amalgamation) Amendment Rules, 2025 (September 04, 2025):

The Companies (Compromises, Arrangements and Amalgamations) Amendment Rules, 2025, notified by the Ministry of Corporate Affairs, introduce significant changes to Rule 25 of the Companies (Compromises, Arrangements and Amalgamation) Rules, 2016. The amendments expand the scope of fast-track mergers to include unlisted companies with limited outstanding financial obligations, certain mergers involving holding and subsidiary companies (including foreign holding companies), and set procedural requirements such as filing revised Forms CAA-9 to CAA-12. Additionally, they mandate specific disclosures to regulators or stock exchanges, impose timelines for post-meeting filings, and require auditors' and valuers' certifications, thereby aiming to streamline and enhance regulatory oversight of merger and amalgamation processes.

(The Companies (Compromises, Arrangements and Amalgamation) Amendment Rules, 2025 issued by the MCA is accessible [here](#).)

SECURITIES LAWS

2. The Securities and Exchange Board of India (SEBI) issued a circular providing technical clarifications to Cybersecurity and Cyber Resilience Framework for SEBI Regulated Entities (August 28, 2025):

The SEBI issued a circular providing detailed clarifications for SEBI's Cybersecurity and Cyber Resilience Framework (CSCRF) to address queries raised by SEBI-regulated entities, especially those subject to regulation by multiple authorities. It introduces the Principle of Exclusivity (limiting the framework's scope to systems exclusively used for SEBI-regulated activities) and the Principle of Equivalence (allowing use of other regulators' equivalent cybersecurity controls in place of SEBI's requirements), defines and refines technical

requirements such as critical systems, VAPT scope, asset inventory updates, patch management, supply chain risk assessment, log retention, and cloud compliance, makes mobile application security guidelines recommendatory rather than mandatory, updates categorisation thresholds for Portfolio Managers and Merchant Bankers, requires adherence to CERT-In's Cyber Security Audit Policy Guidelines.

(The Circular bearing number SEBI/HO/ITD-1/ITD_CSC_EXT/P/CIR/2025/119 issued by the SEBI is accessible [here](#).)

3. The SEBI notified the Securities and Exchange Board of India (Delisting of Equity Securities) Amendment Regulations, 2025 (September 03, 2025):

The Securities and Exchange Board of India (Delisting of Equity Shares) (Amendment) Regulations, 2025 introduce "Part F – Special Provisions for Delisting of Public Sector Undertakings (PSUs)" (excluding banks, NBFCs, and insurers), allowing PSUs in which an acquirer (or acquirers together) hold 90% or more equity to delist using a fixed-price mechanism, provided shareholders approve by special resolution. The fixed delisting price must include a minimum premium of 15% over the prescribed floor price, which is determined by taking the highest among three metrics: the volume-weighted average acquisition price over 52 weeks, the highest acquisition price in the past 26 weeks, or a joint valuation by two independent valuers. Further, for PSUs undergoing voluntary strike-off post-delisting, amounts due to remaining public shareholders must be held in a designated account or transferred to the Investor Education & Protection Fund to ensure their protection.

(The Securities and Exchange Board of India (Delisting of Equity Securities) Amendment Regulations, 2025 issued by the SEBI is accessible [here](#).)

4. The SEBI notified the Securities and Exchange Board of India (Real Estate Investment Trust) (Second Amendment) Regulations, 2025 (September 03, 2025):

The Securities and Exchange Board of India (Real Estate Investment Trusts) (Second Amendment) Regulations, 2025 amend the Securities and Exchange Board of India (Real Estate Investment Trusts) Regulations, 2014 to (i) redefine "public" so that related parties of the REIT, its sponsor, or manager are excluded, but qualified institutional buyers among them are treated as "public"; (ii) allow REITs' managers flexibility in reporting the status of under-construction properties (removing the fixed "30 days of end of quarter" requirement) by letting SEBI specify the timeline in line with financial result disclosures; and (iii) require valuation reports under certain regulations to be submitted to trustees simultaneously with their submission to stock exchanges.

(The Securities and Exchange Board of India (Real Estate Investment Trusts) (Second Amendment) Regulations, 2025 issued by the SEBI is accessible [here](#).)

5. The SEBI notified the Securities and Exchange Board of India (Infrastructure Investment Trust) (Third Amendment) Regulations, 2025 (September 03, 2025):

The SEBI (Infrastructure Investment Trusts) (Third Amendment) Regulations, 2025 revise the The SEBI (Infrastructure Investment Trusts) Regulations, 2014 to (i) redefine “public” so as to exclude related parties of the InvIT, its sponsor, investment manager or project manager (except that such persons shall be considered “public” if they are Qualified Institutional Buyers); (ii) mandate that valuation reports required under various sub-regulations must be submitted within the timelines specified therein; (iii) require publicly offered InvITs whose consolidated borrowings and deferred payments exceed 49% to submit quarterly reports to the stock exchange along with their quarterly financial statements; (iv) adjust the timing for submission of half-yearly reports to stock exchanges after the half-year ending September 30 to align with quarterly results.

(The Securities and Exchange Board of India (Infrastructure Investment Trust) (Third Amendment) Regulations, 2025 issued by the SEBI is accessible [here](#).)

6. The SEBI issued a circular for Framework for AIFs to make co-investment within the AIF structure under the SEBI (Alternative Investment Funds) Regulations, 2012 (September 09, 2025):

The SEBI issued a circular to establish a formal framework enabling Category I and Category II Alternative Investment Funds (AIFs) to undertake co-investments via dedicated Co-Investment Vehicle (CIV) schemes within the existing AIF structure. Under this framework, each CIV scheme must maintain ring-fenced assets, separate bank and demat accounts, and have a shelf private placement memorandum outlining investment terms, expenses, rights, and governance in alignment with applicable regulatory requirements. Co-investments by an investor across CIV schemes in a particular investee company are limited to three times their investment in the corresponding main AIF scheme, except for specified institutional investors such as sovereign wealth funds and government-owned entities. The framework prohibits CIV schemes from leveraging and mandates that they avoid indirect exposures that are restricted under the AIF Regulations. Compliance with prescribed implementation standards and reporting obligations is required to ensure transparency and investor protection.

(The circular bearing number SEBI/HO/AFD/AFD-POD-1/P/CIR/2025/126 issued by the SEBI is accessible [here](#).)

7. The SEBI issued the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, as amended up to September 08, 2025 (September 10, 2025):

The SEBI has issued the Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, with the latest update on September 8, 2025.

These regulations govern the issuance and administration of share-based employee benefits and sweat equity in listed companies, aiming to promote transparency, fairness, and compliance with corporate governance standards. The amendments align with recent changes in related laws and address emerging market practices to ensure that employee benefit schemes are managed effectively and equitably. The updated regulations reflect SEBI's ongoing efforts to adapt to evolving market dynamics and enhance investor protection.

(The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021, as amended up to September 08, 2025 issued by the SEBI is accessible [here](#).)

8. The SEBI issued a circular to notify the revised regulatory framework for Angel Funds under the AIF Regulations (September 10, 2025):

The SEBI has issued a revised regulatory framework for Angel Funds under the Alternative Investment Funds (AIF) Regulations, 2012. This update introduces several key changes aimed at enhancing the operational flexibility and investment scope of angel funds. Notably, the permissible age of investee companies has been extended from three to five years, and the minimum investment amount by angel funds in any venture capital undertaking has been reduced from ₹50 lakh to ₹25 lakh. Additionally, the mandatory lock-in period for such investments has been shortened from three years to one year. Furthermore, angel funds are now allowed to invest up to 25% of their investible corpus in overseas venture capital undertakings, aligning with the provisions applicable to other AIF categories. These amendments aim to foster a more conducive environment for early-stage investments and broaden the avenues for Angel Funds to diversify their portfolios.

(The circular bearing number SEBI/HO/AFD/AFD-POD-1/P/CIR/2025/128 issued by the SEBI is accessible [here](#).)

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