

An Overview of the judicial practice of the Russian Supreme Court containing conclusions on corporate disputes

FAO corporate legal departments

Pepeliaev Group advises that, on 8 October 2025, the Presidium of the Russian Supreme Court (the "Supreme Court") approved Overview No. 3 of Judicial Practice of the Russian Supreme Court (2025) (the "Overview").

The Overview contains an extensive list of conclusions on disputes considered by the Supreme Court's Judicial Chamber for Economic Disputes, including a number of conclusions made by the courts when examining certain categories of corporate disputes.

The main positions of the Overview on such disputes

1. A resolution of a general meeting cannot be declared invalid if it has been implemented

The members of a limited liability company (LLC) passed a resolution to distribute profit. However, the company did not fully implement it. One of the members went to court with a claim seeking to have the unpaid portion of the distributed profit paid. The courts of the first and appellate instances upheld the claim, but the circuit court set aside those judicial decisions, pointing out that the resolutions of the general meeting of the LLC's members establishing an alternative procedure for certifying the general meeting's resolutions and for distributing profit were void, because such resolutions had not been notarised (article 67.1(3) of the Russian Civil Code).

The Russian Supreme Court set aside the circuit court's ruling and upheld the decisions of the first and appellate instances. The Court noted that a general meeting's resolution adopted without being notarised cannot be declared void by a court if the case materials confirm that such a decision was taken by all members and there are no reasonable doubts as to this fact. Furthermore, having established that the disputed resolution had been partially implemented (including by the company itself), the Supreme Court issued a reminder that contradictory conduct was not permissible and applied the principle of "estoppel" in accordance with article 166(5) of the Russian Civil Code.

2. In disputes concerning the payment of the actual value of a share to a withdrawing member of an LLC, the defendant must prove that the company's debts are genuine if there is evidence that they have been artificially inflated

The courts of first, appellate and cassation instances dismissed the claim of a former member of an LLC disputing the amount of the actual value of the share paid to him. The courts referred to the results of a court-ordered expert valuation of the LLC's net assets. The Supreme Court quashed the judicial acts and referred the case to be considered anew. The Court found significant the claimant's arguments that the company's accounts payable had been artificially inflated and arose from a supply contract concluded with an affiliated entity that had no employees and did not carry out any economic activity. The Supreme Court concluded that the existence of such circumstances obliges the defendant to bear the burden of proving that the debt is genuine.

3. A provision concerning the price of a share purchase agreement cannot be supplemented by the court if it was the subject matter of negotiations between the parties

The Supreme Court's Judicial Panel for Economic Disputes expressed the position that article 424(3) of the Russian Civil Code cannot be applied to determine the price of shares in a situation where this condition was the subject matter of negotiations between the parties but was ultimately not agreed upon. It should be recalled that this rule stipulates that if a contract does not specify a price and the price cannot be determined based on the contract's terms and conditions, contractual performance must be paid for at a price which, under comparable circumstances, is usually charged for similar goods, works or services.

The Supreme Court drew attention to the fact that, in a situation where one party proposed a term regarding the price of a transaction that has not been accepted by the other party, the contract is deemed not to have been concluded until the parties agree upon the price of the transaction.

What to think about, what to do

The Supreme Court's conclusions on the above corporate disputes means that the assessment must be adjusted of the risks associated with implementing certain corporate procedures. Before the Overview was published, the court practice that had evolved did not provide an unequivocal answer as to whether a resolution of a general meeting of an LLC's members was legitimate when it had been passed unanimously and implemented by the parties but executed in violation of the procedure established by article 67.1(3) of the Russian Civil Code. It is likely that the Overview will strengthen the emerging trend under which courts assess all the circumstances of the case and reject a formal approach when considering corporate disputes.

Help from your adviser

Given that the trends in judicial practice concerning corporate disputes are constantly changing, it is important for corporations and their members to take into account all the risks and implications associated with various corporate procedures: the adoption of resolutions by a general meeting, withdrawal from a company, or the completion of transactions involving shares (membership interests in the issued capital).

Pepeliaev Group's specialists regularly monitor changes in Russian legislation and court practice. They possess extensive experience in supporting legally regulated corporate procedures. Our services include legal assistance on various aspects of companies' operations associated with corporate law and support in corporate dispute proceedings before the courts.

Contact details



Sergey Spasennov
Senior Partner, Head of
St. Petersburg Office

Tel: +7 (812) 640 60
10
s.spasennov@pgplaw.ru



Roman Sokolov
Senior Associate