

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:

SECURITIES LAWS

1. The Securities and Exchange Board of India (SEBI) notified the Securities and Exchange Board of India (Credit Rating Agencies) (Amendment) Regulations, 2026 (January 15, 2026):

The SEBI has notified the *Securities and Exchange Board of India (Credit Rating Agencies) (Amendment) Regulations, 2026*, effective January 13/15, 2026, through Notification No. SEBI/LAD-NRO/GN/2026/293, which amends the SEBI (Credit Rating Agencies) Regulations, 1999 by revising Regulation 9(f) to broaden and clarify the permissible scope of activities for credit rating agencies ("CRAs"). Under the amended framework, CRAs may undertake "other activities" as specified by SEBI and are expressly permitted to rate financial instruments that fall under the regulatory purview of other financial sector regulators or authorities, subject to applicable guidelines and supervisory oversight by those regulators, thereby enhancing operational flexibility; concurrently, the previous requirement for segregation of non-rating activities into separate entities has been omitted, and the explanatory provisions have been updated to align with the expanded scope.

(*The Securities and Exchange Board of India (Credit Rating Agencies) (Amendment) Regulations, 2026 notified by the SEBI is accessible [here](#).*)

2. The SEBI issued a circular on Single Window Automatic and Generalised Access for Trusted Foreign Investors (SWAGAT-FI) (January 16, 2026):

The SEBI has issued a circular introducing the *Single Window Automatic and Generalised Access for Trusted Foreign Investors (SWAGAT-FI)* framework for Foreign Portfolio Investors (FPIs) and Foreign Venture Capital Investors (FVCIs), aimed at simplifying and unifying the registration and compliance processes for eligible "trusted" foreign investors by enabling a single-window mechanism that consolidates multiple investment routes and reduces duplicative documentation and compliance requirements; under the framework, SEBI-registered FPIs and FVCIs that meet specified eligibility criteria (such as sovereign wealth funds, central banks, regulated mutual funds, insurance companies and pension funds) can obtain a unified registration across FPI and FVCI categories, extend registration validity and KYC review cycles (including ten-year cycles for certain entities), and convert existing registrations to SWAGAT-FI status where applicable, with operational implementation and associated

systems changes to take effect from June 1, 2026, thereby enhancing ease of doing business and facilitating deeper participation of stable foreign capital into Indian capital markets.

(*The Circular No. HO/19/34/14(5)2025-AFD-POD2/I/2703/2026 issued by the SEBI is accessible [here](#).*)

3. The SEBI notified the SEBI (Mutual Funds) Regulations, 2026 (January 16, 2026):

The SEBI has notified the *Securities and Exchange Board of India (Mutual Funds) Regulations, 2026*, which comprehensively replace and consolidate the earlier SEBI (Mutual Funds) Regulations, 1996 with the objective of modernising the regulatory framework governing mutual funds in India; the 2026 Regulations streamline and rationalise provisions relating to registration and eligibility of asset management companies and trustees, governance and fiduciary obligations, scheme categorisation and disclosures, risk management and valuation norms, investment and borrowing restrictions, unitholder protection, and supervisory oversight, while incorporating principles-based regulation, enhanced accountability of key managerial personnel, clearer segregation of roles among sponsors, trustees and AMCs, and updated compliance and reporting requirements aligned with SEBI's recent circulars and market developments, thereby strengthening transparency, investor protection and operational efficiency in the mutual fund ecosystem.

(*The SEBI (Mutual Funds) Regulations, 2026 notified by the SEBI is accessible [here](#).*)

4. The SEBI issued a Consultation Paper on Circular under SEBI (Index Providers) Regulations, 2024 (January 19, 2026):

The SEBI has released a *Consultation Paper on the proposed circular under the SEBI (Index Providers) Regulations, 2024*, seeking public comments on the operationalisation and further clarification of compliance requirements applicable to registered index providers; the consultation paper proposes detailed norms relating to governance and oversight structures, policies for index design, methodology and periodic review, management of conflicts of interest, disclosure and transparency obligations, record-keeping, and audit and inspection processes, with the objective of ensuring robustness, integrity, and reliability of financial indices that serve as benchmarks for securities and investment products, while also aligning regulatory expectations with global best practices and providing regulatory certainty to index providers operating in the Indian securities market.

(*The Consultation Paper on the proposed circular under the SEBI (Index Providers) Regulations, 2024 issued by the SEBI is accessible [here](#).*)

5. The SEBI notified the Master Circular for Framework on Social Stock Exchange (January 19, 2026):

The SEBI has issued a *Master Circular for the Framework on the Social Stock Exchange* ("SSE"), consolidating and superseding all previous circulars and guidelines on the SSE framework to provide a unified and updated regulatory reference; the Master Circular sets out the eligibility criteria, registration requirements and ongoing compliance obligations for not-for-profit organisations ("NPOs") and for-profit social enterprises seeking to list on the SSE, prescribes disclosure, governance, impact reporting and fund-utilisation norms, and outlines the modalities for issuance and listing of instruments such as Zero Coupon Zero Principal instruments, social impact funds and other permissible securities, with the objective of enhancing transparency, standardisation and credibility of social impact fundraising through capital markets while strengthening investor protection and regulatory oversight.

(*The Master Circular for the Framework on the Social Stock Exchange notified by the SEBI is accessible [here](#).*)

6. The SEBI notified the Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) (Amendment) Regulations, 2026 (January 19, 2026):

The SEBI has notified the *Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) (Amendment) Regulations, 2026*, amending the SEBI (Issue and Listing of Non-Convertible Securities) Regulations, 2021 with a view to further rationalising and strengthening the regulatory framework governing issuance and listing of non-convertible debentures and other debt securities; the amendments introduce targeted refinements relating to disclosure requirements, compliance timelines, responsibilities of issuers and intermediaries, and alignment with SEBI's evolving supervisory and investor-protection standards, while seeking to enhance ease of issuance, improve transparency for investors, and ensure consistency with recent regulatory developments in the debt capital markets.

(*The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) (Amendment) Regulations, 2026 notified by the SEBI is accessible [here](#).*)

BANKING/ FINTECH LAWS

7. The Reserve Bank of India (RBI) issues the Reserve Bank of India (Internal Ombudsman) Directions, 2026 (January 14, 2026):

The RBI has issued the *Reserve Bank of India (Internal Ombudsman) Directions, 2026*, with the objective of strengthening internal grievance redressal mechanisms across regulated entities ("REs") by mandating the appointment of an Internal Ombudsman ("IO") and prescribing a uniform, principle-based framework for the role, independence, tenure, eligibility, and functioning of the IO; the Directions require eligible REs to refer customer complaints that are

rejected wholly or partly to the IO for independent review prior to final disposal, prescribe timelines and procedural safeguards for complaint handling, reinforce reporting and oversight obligations of the board and senior management, and seek to enhance transparency, accountability, and consumer protection by ensuring an effective internal check before grievances escalate to external dispute-resolution forums such as the RBI Ombudsman.

(The Reserve Bank of India (Internal Ombudsman) Directions, 2026 issued by the RBI is accessible [here](#).)

8. The RBI issues the Foreign Exchange Management (Export and Import of Goods and Services) Regulations, 2026 (January 16, 2026):

The has notified the *Foreign Exchange Management (Export and Import of Goods and Services) Regulations, 2026*, along with the accompanying *Directions on Export and Import of Goods and Services*, to consolidate, update and rationalise the regulatory framework governing cross-border trade transactions under the Foreign Exchange Management Act, 1999; the new regulations and directions comprehensively prescribe requirements relating to export and import of goods and services, realisation and repatriation of export proceeds, timelines and modes of payment, permissible set-off and write-off mechanisms, advance payments, guarantees, and reporting obligations, while aligning procedural aspects with digitised systems and contemporary trade practices, with the objective of enhancing regulatory clarity, ease of compliance and effective monitoring of foreign exchange flows.

(The Foreign Exchange Management (Export and Import of Goods and Services) Regulations, 2026 and Directions on Export and Import of Goods and Services issued by the RBI is accessible [here](#).)

OTHER LAWS

9. The Supreme Court clarifies taxability of Tiger Global's Flipkart Exit under GAAR and Treaty Law (January 15, 2026):

In the landmark judgment of *Authority for Advance Rulings (Income Tax) v. Tiger Global International II Holdings & Ors.*, Civil Appeal No. 262 of 2026 delivered by the Supreme Court of India on January 15, 2026, the Supreme Court upheld the tax department's appeal, set aside the 2024 Delhi High Court decision, and held that capital gains arising from Tiger Global's 2018 sale of its Flipkart stake to Walmart are taxable in India and not exempt under the India-Mauritius Double Taxation Avoidance Agreement ("DTAA"); the Court ruled that the arrangement was an impermissible avoidance arrangement lacking commercial substance, that Tax Residency Certificates (TRCs) alone are not conclusive for treaty benefits, and that domestic General Anti-Avoidance Rules ("GAAR") may override treaty protections where a

structure is primarily tax-driven, reaffirming India's sovereign right to tax income connected to its economy and prioritising *substance over form* in cross-border investment taxation.

(*The order of the Supreme Court in the case Authority for Advance Rulings (Income Tax) v. Tiger Global International II Holdings & Ors., Civil Appeal No. 262 of 2026 is accessible [here](#).*)

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THE RECITALS