

**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) issued a circular relaxing the applicability of the SEBI Master Circular for compliance with the provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 on non-compliance with the Minimum Public Shareholding (MPS) requirement (April 07, 2026):**

The SEBI, through its circular dated April 07, 2026, has granted a limited relaxation from the strict enforcement framework prescribed under the SEBI Master Circular in cases of non-compliance with the Minimum Public Shareholding (MPS) requirements under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Recognising practical challenges faced by listed entities—particularly in achieving timely dilution of promoter holdings—SEBI has clarified that stock exchanges may exercise discretion in not initiating penal actions, such as freezing of promoter shareholding or suspension of trading, where the non-compliance is demonstrably temporary, unintentional, and accompanied by credible steps towards restoration of MPS. The circular underscores a facilitative regulatory approach, allowing companies additional time to comply, subject to adequate disclosures and monitoring, while continuing to emphasise that the underlying obligation to maintain prescribed public shareholding thresholds remains mandatory and non-negotiable.

*(The Circular bearing number HO/49/14/14(13)2026-CFD-POD2/I/8772/2026 issued by the SEBI is accessible [here](#).)*

- 2. The SEBI issued a press release on Launch of various IT platforms by Chairman, SEBI to improve ease-of-doing business (April 10, 2026):**

The SEBI, through its press release dated April 10, 2026, announced the launch of multiple technology-driven platforms aimed at enhancing ease of doing business and strengthening regulatory efficiency across the securities market ecosystem. These initiatives include digital interfaces designed to streamline regulatory filings, improve data accessibility, and facilitate seamless interaction between market participants and SEBI, thereby reducing procedural friction and timelines. The platforms also seek to enhance transparency, standardisation, and real-time monitoring, while enabling more effective compliance management for intermediaries and listed entities. This move reflects SEBI's continued emphasis on leveraging

technology to create a more efficient, investor-friendly, and compliance-oriented regulatory environment.

(The Press Release bearing number 23/2026 issued by the SEBI is accessible [here.](#))

**BANKING / FINTECH LAWS**

**3. The Reserve Bank of India (RBI) issued a press release inviting public comments on the draft Amendment Directions on review of methodology for identification of NBFC-UL and inclusion of Government owned NBFCs in NBFC-UL (April 10, 2026):**

The RBI, through its press release dated April 10, 2026, has invited public comments on draft Amendment Directions proposing revisions to the methodology for identification of Upper Layer Non-Banking Financial Companies (NBFC-UL) under its scale-based regulatory framework. The proposed changes seek to refine the scoring and classification criteria used to determine systemic importance, with a view to enhancing risk sensitivity and supervisory effectiveness. Notably, the draft also proposes the inclusion of Government-owned NBFCs within the NBFC-UL category, thereby subjecting such entities to enhanced regulatory oversight, including stricter governance, capital, and compliance requirements. Stakeholders have been invited to provide feedback within the prescribed timeline, reflecting RBI's consultative approach in recalibrating its prudential regulatory architecture for the NBFC sector.

(The Press Note: 2026-27/65 issued by the RBI is accessible [here.](#))

**4. The RBI issued a press release inviting public comments on Discussion Paper - Exploring safeguards in digital payments to curb frauds (April 09, 2026):**

The RBI, through its press release dated April 09, 2026, has invited public comments on a discussion paper examining potential safeguards to mitigate fraud risks in digital payments. The paper analyses emerging fraud patterns across digital payment channels and proposes a range of regulatory and technological interventions, including strengthening authentication mechanisms, enhancing transaction monitoring systems, improving customer awareness frameworks, and introducing additional safeguards for high-risk transactions. It also explores the delineation of responsibilities among regulated entities, payment system operators, and customers in preventing and addressing fraud. Stakeholders have been invited to provide inputs on the proposed measures, reflecting RBI's intent to adopt a calibrated and consultative approach towards reinforcing trust, security, and resilience in India's digital payments ecosystem.

*(The Press Note: 2026-27/57 issued by the RBI is accessible [here](#).)*

**5. The RBI issued a circular on Guidelines to facilitate faster cross-border inward payments (April 09, 2026):**

The RBI, through its press release dated April 09, 2026, has issued guidelines aimed at facilitating faster and more efficient cross-border inward remittances into India. The circular introduces measures to streamline processing timelines, enhance coordination between authorised dealer banks and payment system participants, and promote the adoption of technology-driven solutions for real-time or near real-time settlement of cross-border transactions. It also seeks to reduce frictions in reconciliation and crediting of funds to beneficiaries, while maintaining robust compliance with foreign exchange regulations and anti-money laundering safeguards. This initiative reflects RBI's continued focus on modernising payment infrastructure and improving the efficiency and user experience of cross-border payment flows into India.

*(The Press Note: 2026-27/56 issued by the RBI is accessible [here](#).)*

**6. The RBI issued Draft Directions for 'Trade Receivables Discounting System' (April 08, 2026):**

The RBI, through its press release dated April 08, 2026, has issued draft directions for the 'Trade Receivables Discounting System' (TReDS) with the objective of strengthening the regulatory framework governing the financing of trade receivables, particularly for micro, small and medium enterprises (MSMEs). The proposed directions seek to consolidate and update existing guidelines by standardising operational procedures, enhancing transparency in transactions, and improving the efficiency of receivables financing through digital platforms. Key proposals include broader participation by financiers, clearer eligibility norms, improved disclosure requirements, and strengthened risk management and settlement mechanisms. The draft framework reflects RBI's continued emphasis on deepening formal credit access for MSMEs while ensuring robustness, accountability, and efficiency in the TReDS ecosystem, with stakeholder comments invited as part of the consultative process.

*(The Press Note: 2026-27/48 issued by the RBI is accessible [here](#).)*

**7. The RBI invites comments on Draft "Reserve Bank of India (Governance) Amendment Directions, 2026 (April 08, 2026):**

The RBI, through its press release dated April 08, 2026, has invited public comments on the draft "Reserve Bank of India (Governance) Amendment Directions, 2026," proposing revisions to the governance framework applicable to regulated entities. The draft directions seek to strengthen board oversight, enhance the role and accountability of key managerial personnel, and introduce clearer expectations around governance structures, including

committees, fit and proper criteria, and conflict management. The proposed amendments also aim to align governance standards with evolving regulatory expectations and systemic risk considerations, while promoting greater transparency and consistency across regulated entities. Stakeholders have been invited to provide feedback within the prescribed timeline, reflecting RBI's consultative approach towards refining governance norms in the financial sector.

(The Press Note: 2026-27/47 issued by the RBI is accessible [here](#).)

## OTHER LAWS

### 8. The Ministry of Law and Justice notified the Insolvency and Bankruptcy Code (Amendment) Act, 2026 (April 06, 2026):

The Insolvency and Bankruptcy Code (Amendment) Act, 2026 introduces a comprehensive set of reforms aimed at strengthening India's insolvency resolution framework by enhancing procedural efficiency, expanding creditor participation, and improving governance across insolvency processes. Key changes include the introduction of a new **creditor-initiated insolvency resolution process**, enabling financial creditors to trigger a streamlined resolution mechanism with defined timelines; formal recognition of **group insolvency** through an enabling framework for coordinated proceedings; and enhanced oversight roles for the **committee of creditors**, including during liquidation. The amendments also clarify and strengthen provisions relating to **resolution plan implementation, distribution waterfall, extinguishment of claims, and continuation of licences and regulatory approvals**, thereby reducing post-resolution uncertainties. Further, the Act introduces tighter timelines for adjudication, expands the scope of **avoidance transactions and fraudulent/wrongful trading**, and empowers creditors and stakeholders to independently initiate such proceedings where required. It also rationalises enforcement by replacing certain criminal provisions with **monetary penalties**, introduces penalties for frivolous proceedings, and strengthens regulatory oversight over insolvency professionals (now broadly termed "service providers"). Overall, the amendments reflect a policy shift towards a more creditor-driven, time-bound, and commercially pragmatic insolvency regime, while addressing practical challenges observed in the implementation of the Code since its inception.

(The Insolvency and Bankruptcy Code (Amendment) Act, 2026 is accessible [here](#).)

### 9. The Insolvency and Bankruptcy Board of India (IBBI) issued a press release titled Committee on Framing Guidelines for Insolvency Proceedings in the Real Estate Sector submits its Report to Chairperson, IBBI (April 08, 2026):

The IBBI, through its press release dated April 2026, has announced the submission of a comprehensive report by the Committee constituted to frame sector-specific guidelines for insolvency proceedings in the real estate sector, pursuant to directions of the Supreme Court. The report recognises the unique nature of real estate insolvency – wherein homebuyers prioritise project completion over financial recovery – and accordingly recommends a shift from an entity-centric to a project-centric, completion-driven framework, with stronger alignment between the Insolvency and Bankruptcy Code, 2016 and the Real Estate (Regulation and Development) Act, 2016. Based on extensive stakeholder consultations and analysis of judicial and practical experiences, the Committee has examined 55 (fifty five) key issues and proposed 155 recommendations addressing structural, procedural, and institutional aspects, including timelines for project-wise resolution, enhanced safeguards for allottees, and improved coordination among regulators. The recommendations are aimed at expediting resolution, ensuring delivery of stalled projects, and strengthening stakeholder confidence in real estate insolvency processes.

*(The Press Release No. IBBI/PR/2026-27 issued by the IBBI is accessible [here](#).)*

**10. The IBBI issued a circular on Valuation Standards for the purpose of valuation conducted under the Insolvency and Bankruptcy Code, 2016 (April 01, 2026):**

The IBBI, through its circular dated April 1, 2026, has notified the International Valuation Standards (IVS), as issued by the International Valuation Standards Council (IVSC), as the applicable framework for all valuations conducted under the Insolvency and Bankruptcy Code, 2016 and its associated regulations. Recognising valuation as a critical determinant in assessing resolution plans and maximising asset value, the circular mandates that all registered valuers and insolvency professionals adhere to globally recognised, transparent, and objective standards across corporate insolvency, liquidation, voluntary liquidation, pre-packaged insolvency, and personal guarantor bankruptcy processes. This move seeks to standardise valuation practices, enhance credibility and consistency in asset assessment, and strengthen stakeholder confidence in insolvency outcomes by aligning India's insolvency ecosystem with internationally accepted valuation benchmarks.

*(The Circular No. IBBI/RV/93/2026 issued by the IBBI is accessible [here](#).)*

**11. The Central Board of Direct Taxes (CBDT) notified the Income Tax (Tenth Amendment) Rules, 2026 and the Income Tax (Amendment) Rules, 2026 (March 31, 2026):**

The CBDT, through Notifications No. 54/2026 and 55/2026 dated March 31, 2026, has introduced a targeted carve-out under the General Anti-Avoidance Rules (GAAR) framework to provide relief for legacy investments made prior to April 1, 2017. The amendments clarify that while GAAR provisions (under Chapter X-A of the Income-tax Act, 1961 and corresponding provisions under the Income-tax Act, 2025) will continue to apply to tax benefits arising on or after April 1, 2017 irrespective of when an arrangement was entered

into, such provisions shall not apply to income arising from the transfer of investments made before April 1, 2017. This effectively ring-fences pre-GAAR era investments from subsequent GAAR scrutiny at the time of exit, thereby providing certainty to long-standing foreign and institutional investors. However, the overarching applicability of GAAR to post-2017 tax benefits remains intact, preserving the anti-avoidance framework while offering calibrated relief to legacy structures.

*(The Notification No. 54/2026/F issued by the CBDT is accessible [here](#), and the Notification No. 55/2026/F issued by the CBDT is accessible [here](#).)*

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## THE RECITALS