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:

COMPANY LAWS

1. **The Ministry of Corporate Affairs issued invitation of stakeholder suggestions on the Integrated Platform for Insolvency Ecosystem (iPIE) (July 17, 2026):**

   The Ministry of Corporate Affairs ("MCA") is developing the Integrated Platform for Insolvency Ecosystem ("iPIE"), a unified digital platform intended to integrate the stakeholders, processes and technology systems operating under the Insolvency and Bankruptcy Code, 2016. The proposed platform will support end-to-end digital workflows, real-time information exchange and role-based access across the insolvency lifecycle, covering process commencement, claims and stakeholder management, resolution and liquidation, compliance, litigation, records, costs, reporting and analytics. It will also provide digital services such as electronic voting, virtual data rooms, meeting and document management, auction integration, communication tools and digital signatures. MCA has invited stakeholders to provide comments on data requirements, stakeholder coverage, data-sharing and process gaps, system integration, user challenges and automated alerts in the prescribed format by email to **sheshadri.s@gov.in** on or before **August 3, 2026**.

   (The Invitation of Stakeholder Suggestion on the Integrated Platform for Insolvency Ecosystem (iPIE) issued by the MCA is accessible here.)

SECURITIES LAWS

2. **The Securities and Exchange Board of India (SEBI) issued the Master Circular for Merchant Bankers (July 14, 2026):**

   The SEBI has issued an updated Master Circular consolidating the regulatory directions applicable to SEBI-registered merchant bankers. The Master Circular aligns the existing framework with the amendments to the SEBI (Merchant Bankers) Regulations, 1992 notified on December 5, 2025 and effective from January 3, 2026. It also incorporates SEBI's circulars concerning the online registration mechanism for securities-market intermediaries, consequential requirements arising from the amended Merchant Bankers Regulations and the extension of timelines for complying with certain transitional requirements. Accordingly, the Master Circular provides a consolidated reference for registration, categorisation, capital adequacy, governance, operational and reporting obligations applicable to merchant bankers. Upon its issuance, the directions contained in the circulars listed in its Appendix stand rescinded insofar as they relate to merchant bankers, without affecting prior actions, accrued rights, liabilities or ongoing proceedings.

(The Master Circular for Merchant Bankers issued by the SEBI is accessible here.)

3. **The SEBI notified the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (last amended on July 14, 2026) (July 14, 2026):**

   The SEBI has amended the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 to streamline the procedural framework governing the transfer and transmission of securities by listed entities. Under the amended Regulation 40(7), listed entities must comply with the procedural requirements for transfer and transmission of securities as specified by SEBI from time to time. A corresponding amendment has been made to Regulation 61(4), applicable to listed non-convertible securities, by replacing the reference to Schedule VII with requirements prescribed by SEBI from time to time, while Clause C of Schedule VII has been omitted. The amendments effectively shift the detailed procedural requirements from the regulations to SEBI-issued directions, enabling the regulator to revise such procedures more efficiently without requiring a formal amendment to the regulations. (SEBI amendment).

   (The SEBI (LODR) Regulations, 2015 (Last amended on July 14, 2026) notified by the SEBI is accessible here.)

4. **The SEBI issued a Consultation Paper on Streamlining the Online Dispute Resolution Framework in Indian Securities Market (July 23, 2026):**

   The SEBI has proposed reforms to streamline the Online Dispute Resolution ("ODR") framework applicable to the Indian securities market. The proposals include transferring responsibility for administering online conciliation and arbitration from ODR institutions to market infrastructure institutions ("MIIs"), which would empanel and appoint conciliators and arbitrators while allowing disputing parties to indicate their preferred arbitrators. SEBI has also proposed permitting unresolved investor grievances reviewed by Designated Bodies under the SEBI Complaints Redressal System to proceed directly to conciliation, thereby reducing the resolution timeline by 21 calendar days. Further, investors in Alternative Investment Funds ("AIFs") may be permitted to use dispute-resolution mechanisms contained in their existing agreements, while the protection of investor monies against liabilities arising from dispute-resolution awards, presently available to trust-structured AIFs, may be extended to AIFs constituted as companies or limited liability partnerships. Public comments may be submitted by August 13, 2026.

(The Consultation Paper on Streamlining the Online Dispute Resolution Framework in Indian Securities Market issued by the SEBI is accessible here.)

BANKING / FINTECH LAWS

5. **The Reserve Bank of India (RBI) issues draft 'Guidance on Regulatory Expectations for Data Governance' (July 15, 2026):**

   The RBI has released draft *Guidance on Regulatory Expectations for Data Governance* applicable to banks, co-operative banks, All India Financial Institutions, non-banking financial companies, asset reconstruction companies and credit information companies. The draft requires regulated entities to establish a proportionate Data Governance Framework covering all data and aligned with their risk-management framework, with oversight by the board, a board-level data governance committee and an executive-level committee. It also proposes a dedicated Data Function headed by an officer not below the rank of Chief General Manager or equivalent, together with clearly designated Data Owners, Data Stewards and Data Custodians. The framework addresses the complete data lifecycle and requires a Single Source of Truth, documented metadata and lineage, risk-based data classification, data-quality monitoring, secure retention and disposal, compliance with applicable data-protection laws and periodic internal and external audits. Regulated entities would remain responsible for data shared with third parties and must implement need-to-know access, contractual confidentiality, secure sharing, monitoring and audit controls. Comments on the draft may be submitted by **August 17, 2026**.

   (The Draft 'Guidelines on Regulatory Expectations for Data Governance' issued by the RBI is accessible here.)

6. **The RBI issued a press release inviting public comments on the draft "Reserve Bank of India (Acquisition and Holding of Shares or Voting Rights) Amendment Directions, 2026 (July 14, 2026):**

   The RBI has released draft amendments to the directions governing the acquisition and holding of shares or voting rights in commercial banks, small finance banks, payments banks and local area banks. The amendments propose permitting SEBI-registered mutual funds, IRDAI-registered insurance companies and PFRDA-registered pension funds that are not part of the relevant bank's promoter group to obtain a one-time RBI approval for subsequent acquisitions of major shareholding—i.e., shareholding of 5% or more—up to 10% of the bank's paid-up share capital or voting rights. This would eliminate the need for repeated approvals where an institutional investor's holding falls below and subsequently crosses the 5% threshold due to portfolio rebalancing or redemptions. Prior RBI approval would, however, continue to be required for the initial acquisition of major shareholding, and investors receiving the one-time approval would remain subject to prescribed reporting and monitoring requirements. Comments on the draft directions may be submitted by **August 4, 2026.**

(The press release inviting public comments on the draft "Reserve Bank of India (Acquisition and Holding of Shares or Voting Rights) Amendment Directions, 2026 issued by the RBI is accessible here.)

7. **The RBI issued a press release on Rationalization of Foreign Exchange Management (Non-Debt Instruments) Rules, 2019 – Draft Rules for Comments (July 21, 2026):**

   The RBI has released the draft Foreign Exchange Management (Foreign Investment) Rules, 2026, which are proposed to replace the Foreign Exchange Management (Non-Debt Instruments) Rules, 2019. The draft introduces a simplified, principle-based and investor-neutral framework governing foreign investment in the equity of eligible Indian entities, including companies, limited liability partnerships, SEBI-registered investment vehicles and certain registered firms and proprietary concerns. It harmonises key concepts relating to equity, foreign direct investment, foreign portfolio investment, indirect foreign investment, ownership and control, and foreign-controlled entities, while retaining the 10% threshold for distinguishing FDI from portfolio investment in companies and LLPs. The framework also separates procedural and operational FEMA requirements, to be administered by the RBI, from entry routes, sectoral caps and sector-specific conditions under the Government's FDI Policy, to be interpreted by the Department for Promotion of Industry and Internal Trade. It further consolidates provisions relating to issuance, transfer, gifts, pledges, pricing, non-repatriation investments and international listings. Stakeholders may submit comments on the draft rules by **August 31, 2026**.

   (The press release on Rationalization of Foreign Exchange Management (Non-Debt Instruments) Rules, 2019 – Draft Rules for Comments issued by the RBI is accessible here.)

OTHER LAWS

8. **The Union Cabinet approves Semicon 2.0 with INR 1,27,000 Crore Outlay (July 15, 2026):**

   The Union Cabinet has approved Semicon 2.0 with a budgetary outlay of ₹1,27,500 crore to provide sustained policy support for the development of India's semiconductor design and manufacturing ecosystem. Building upon the India Semiconductor Mission's first phase, Semicon 2.0 will operate across six pillars: strengthening domestic chip-design capabilities and intellectual property; incentivising the manufacture and research of semiconductor machinery, materials, chemicals and gases; attracting additional silicon, compound-semiconductor, discrete-component and display fabrication facilities; expanding advanced assembly, testing, marking and packaging and outsourced semiconductor assembly and testing units; promoting research into advanced process nodes and technologies; and developing specialised industry talent. The programme is intended to create an integrated domestic semiconductor ecosystem, improve supply-chain resilience, support national security and promote technological leadership. Under the first phase, 12 manufacturing units involving cumulative investments exceeding ₹1.64 lakh crore and 24 semiconductor-design projects have already received approval.

(The Press Release approving the Semicon 2.0. issued by the Ministry of Electronics and Information Technology is accessible here.)

9. **The Union Cabinet approves Mobile Phone Manufacturing Scheme (July 15, 2026):**

The Union Cabinet has approved the Mobile Phone Manufacturing Scheme ("MPMS") with a budgetary outlay of ₹62,500 crore for a five-year period from FY 2026–27 to FY 2030–31. The scheme is intended to scale domestic mobile-phone production, deepen local value addition, strengthen supply-chain resilience, improve global competitiveness and support the development of Indian brands, technology and intellectual property. MPMS will provide differentiated incentives ranging from 2.25% to 5% of eligible sales for mobile phones manufactured in India, an additional incentive of up to 1.5% for domestic sourcing of specified components and sub-assemblies, and a further 3% incentive for product design and research and development by Indian brands. Over its tenure, the scheme is expected to facilitate cumulative mobile-phone production of approximately ₹39 lakh crore, significantly increase exports and generate around 60,000 direct jobs. MPMS follows the conclusion of the Production Linked Incentive Scheme for Large Scale Electronics Manufacturing on March 31, 2026.

(The Press Release approving the Mobile Phone Manufacturing Scheme issued by the Ministry of Electronics and Information Technology is accessible here.)

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