भारतीय कम्पनी सचिव संस्थान
THE INSTITUTE OF
Company Secretaries of India
IN PURSUIT OF PROFESSIONAL EXCELLENCE
Statutory body under an Act of Parliament
(Under the jurisdiction of Ministry of Corporate Affairs)

Vision
"To be a global leader in promoting good corporate governance"

Motto
सत्यं वद। धर्मं चर। speak the truth, pursue righteousness

Mission
"To develop high calibre professionals facilitating good corporate governance"

Monday, August 17, 2026

Info Capsule

❖ *Ministry of Micro, Small & Medium Enterprises*

The Micro, Small and Medium Enterprises Development (Amendment) Act, 2026 (August 13, 2026)

The Micro, Small and Medium Enterprises Development (Amendment) Act, 2026 has received the assent of the President on the 13th August, 2026. The Amendment Act inter-alia consists following:

- Updated classification of the enterprises as micro, small and medium enterprises;
- Mandatory settlement of receivables through Trade Receivables Discounting System for specified entities;
- Revised Micro and Small Enterprises Facilitation Councils (MSEFCs) Framework;
- Strengthened dispute resolution;
- Decriminalisation of offences.

For details: https://egazette.gov.in/(S(ctjctufbh3figok2d0gnlpox))/Default.aspx

❖ *Ministry of Corporate Affairs*

- **The Companies (Indian Accounting Standards) Amendment Rules, 2026 (August 12, 2026)**

The Ministry of Corporate Affairs (MCA) vide its notification G.S.R 725(E) dated August 12, 2026, has notified the Companies (Indian Accounting Standards) Amendment Rules, 2026. These amendments *inter-alia* impacts Ind AS 101 (First-time Adoption of Indian Accounting Standards) and Ind AS 107 (Financial Instruments: Disclosures). Ind AS 101 has been revised to incorporate Annual Improvements 2024, clarifying hedge accounting transitions and restricting retrospective designation of hedges that do not qualify under Ind AS 109. Ind AS 107 has been expanded to introduce new disclosure requirements relating to contracts dependent on electricity purchases. Entities must disclose risks, commitments, and performance impacts of such contracts, including unused electricity purchases, sales of unused electricity, and related costs.

For details:
https://egazette.gov.in/(S(ctjctufbh3figok2d0gnlpox))/Default.aspx

- **NCLT launched e-Inspection and e-Certified Copy Services (August 12, 2026)**

The National Company Law Tribunal (NCLT) has launched its e-Inspection and e-Certified Copy Services. Hon'ble President, NCLT inaugurated the services through video conferencing, marking another step towards making the Tribunal's Registry more accessible and technology-enabled. The services form part of the Tribunal's broader digital transformation, including the revamped NCLT website and the ongoing e-Courts 2.0 initiative. The launch of two services is part of the NCLT's continuing endeavour to provide a more transparent, efficient and stakeholder-oriented system of justice delivery.

In addition, the NCLT has adopted a data-driven mechanism to monitor pendency across Benches, based on that workload was reviewed and redistributed, and Special Benches were formed to maximise the available Court time. The NCLT has also issued detailed guidelines on registration and listing of cases, in consultation with the Bar, to ensure optimum utilisation of limited judicial resources.

For details:
https://www.pib.gov.in/PressReleaseDetail.aspx?PRID=2298542&reg=48&lang=1

❖ *Capital Market and Securities Laws*

- **Modification in the regulatory framework for Online Bond Platform Providers (OBPPs) including measures for promoting ease of doing business (August 14, 2026)**

SEBI has addressed modification of provisions of SEBI Master Circular for issue and listing of Non-Convertible Securities, Securitised Debt Instruments, Security Receipts, Municipal Debt Securities and Commercial Paper dated October 15, 2025 on the following areas:

- OBPPs may be permitted to offer products or securities or services regulated by International Financial Services Centres Authority (IFSCA).
- OBPPs may be permitted to offer Bonds issued under section 54EC of the Income Tax Act, 1961 or Section 85 of Income-tax Act, 2025.
- Compliance officer requirements for OBPPs.

For details:
https://www.sebi.gov.in/legal/circulars/aug-2026/modification-in-the-regulatory-framework-for-online-bond-platform-providers-obpps-including-measures-for-promoting-ease-of-doing-business_103647.html

- **Framework for Calculation of Net Distributable Cash Flows for InvITs (August 14, 2026)**

SEBI has modified Section F (Para 3.19) titled "Framework for calculation of Net Distributable Cash Flows (NDCFs)" of Chapter 3 of Master Circular for Infrastructure Investment Trusts (InvITs) dated July 11, 2025. In Table S. No. (I.) titled 'Computation of Net Distributable Cash Flow at HoldCo/SPV Level', a new line item to be added to allow add back of payments made towards major maintenance expense for road projects to the extent funded by external debt. Accordingly, the framework for computation of NDCF at HoldCo/SPV level as provided in the Master circular has been changed.

For details:
https://www.sebi.gov.in/legal/circulars/aug-2026/framework-for-calculation-of-net-distributable-cash-flows-for-invits_103644.html

- **Review of Inclusion of Historical Scenarios in Stress Testing for Commodity Derivatives Segment (August 12, 2026)**

SEBI has modified the provisions contained in Part A (with respect to Z-score) of paragraph 22 ("Standardized Stress Testing for Commodity Derivatives") of Annexure O of SEBI Master Circular for Commodity Derivatives Segment dated August 04, 2023. The modified provisions provided that the price movements corresponding to a Z-score of 5 will replace extreme price movements beyond that threshold in peak historical returns of all the commodities. Mean and sigma of returns over the applicable MPOR period across 15 years would be used for calculation of the Z-score.

For details:
https://www.sebi.gov.in/legal/circulars/aug-2026/review-of-inclusion-of-historical-scenarios-in-stress-testing-for-commodity-derivatives-segment_103521.html

- **Amendment to SEBI (Issue and Listing of Municipal Debt Securities) Regulations, 2015 ("ILMDS Regulations") (August 11, 2026)**

SEBI has specified changes to the extant framework for municipal debt securities in respect of certain operational aspects, as specified below:

- Face value of municipal debt securities;
- Two-step escrow account mechanism in case issuer is a pooled finance vehicle;
- Timelines for submission of financial results to the stock exchanges.

For details:
https://www.sebi.gov.in/legal/circulars/aug-2026/amendment-to-sebi-issue-and-listing-of-municipal-debt-securities-regulations-2015-ilmds-regulations-_103488.html

❖ *Direct* Tax

Foreign Assets of Small Taxpayers- Disclosure Scheme Rules, 2026 [Notification No. 114 Dated August 14, 2026]

The Central Board of Direct Taxes (CBDT) has notified the Foreign Assets of Small Taxpayers – Disclosure Scheme (FAST-DS) Rules, 2026. The last date for filing a declaration under this scheme is 31st December this year. No declaration can be filed after this date.

The Foreign Assets of Small Taxpayers-Disclosure Scheme 2026 is a one-time voluntary disclosure scheme contained in Chapter IV of the Finance Act, 2026. It enables eligible taxpayers to declare certain undisclosed foreign assets, undisclosed foreign income, or undeclared foreign assets, on payment of a specified tax or fee.

The Income Tax Department has issued a comprehensive FAQ document on the scheme and rules as part of its continued efforts to enhance taxpayer awareness and facilitate a better understanding of the scheme. The FAQs provide clear and concise explanations for the benefit of taxpayers and other stakeholders.

For details: *https://www.incometaxindia.gov.in/documents/d/guest/notification-no-114-2026-pdf*
FAQs: *https://www.incometaxindia.gov.in/documents/81799/15520974/FAST-DS-FAQs.pdf*

❖ *Views/ Comments sought by Regulators*

- **IBBI discussion paper on guidance to IPs for due diligence to identify fraudulent or malicious initiation of CIRP and recourse under Sections 60(5) and 65 of the IBC (August 14, 2026)**

Section 65(1) of the Insolvency and Bankruptcy Code, 2016 (IBC) empowers the Adjudicating Authority (AA) to impose penalty where the Corporate Insolvency Resolution Process (CIRP) has been initiated fraudulently or with malicious intent for any purpose other than the resolution of insolvency, or liquidation, as the case may be. The IBBI has received information from law-enforcement and other regulatory agencies indicating that the CIRP framework is, in certain cases, being resorted to with malafide intent, *inter alia*, to settle debts outside the ordinary process of recovery, mitigate tax and other statutory liabilities, close or merge companies without regulatory scrutiny, mitigate the effect of pending or anticipated investigations, prosecution and penalties under other statutes, and to monetise or ring-fence assets.

Insolvency Professionals (IPs), by virtue of their access to the books of account, records and Committee of Creditors (CoC) proceedings of the corporate debtor, occupy a unique position to identify such indicators at the earliest stage of the process. Provisions under IBC place a non-delegable duty on the IPs to examine indicators of fraudulent or malicious initiation of the CIRP and, where warranted, to place the same before the AA. To strengthen the framework for identifying and addressing potential instances of fraudulent or malicious initiation of the CIRP, IBBI proposes to issue a circular consolidating the relevant statutory and regulatory provisions bearing on this duty and sets out an illustrative (non-exhaustive) list of indicators that should alert an IP to the possibility of fraudulent or malicious initiation of the CIRP, together with the recourse available under section 60(5) read with section 65 of the Code.

Accordingly, the IBBI has issued a discussion paper with the objective of inviting comments from all stakeholders on the said draft Circular latest by 24th August, 2026.

For details:
https://ibbi.gov.in/uploads/whatsnew/64e3b5bc6d53160f1919f952ceecd7c1.pdf

- **SEBI Consultation Paper on Review of Know Your Client process for individual Persons Resident Outside India (August 14, 2026)**

The objective of this consultation paper is to review the extant process for on-boarding of individual Persons Resident Outside India (PROI) clients and invite public comments on the proposals to simplify the said process in order to enable seamless digital on-boarding in the securities market. The consultation paper also takes into cognizance of the various modes available to investors during the digital on boarding process. A draft circular on "Review of KYC process for individual Persons Resident Outside India" is placed at Annex-A to this consultation paper and comments or suggestions should be submitted latest by September 04, 2026.

For details:
https://www.sebi.gov.in/reports-and-statistics/reports/aug-2026/consultation-paper-on-review-of-know-your-client-process-for-individual-persons-resident-outside-india_103653.html

- **Consultation Paper on Review of SEBI (Settlement Proceedings) Regulations, 2018 (August 14, 2026)**

SEBI has placed this consultation paper with an objective to seek comments or suggestions from the general public and stakeholders on the changes proposed in the existing settlement mechanism and on the SEBI (Settlement of Proceedings) Regulations, 2026. In order to reduce litigation and provide alternative mode of resolution thereby providing clarity and ease of understanding of regulations, SEBI has undertaken the review of existing settlement mechanism. Comments or suggestions of general public and stakeholders have been sought on the draft of SEBI (Settlement of Proceedings) Regulations, 2026 and should be submitted latest by September 04, 2026.

For details:
https://www.sebi.gov.in/reports-and-statistics/reports/aug-2026/consultation-paper-on-review-of-sebi-settlement-proceedings-regulations-2018_103654.html

- **SEBI Consultation paper on the mandatory adoption of a Credit Risk-o-Meter as an additional disclosure mechanism for debt securities (August 13, 2026)**

SEBI has placed this consultation paper with an objective to seek comments or suggestions from the public on the proposal related to mandatory adoption of a 'Credit Risk-o-Meter' as an additional disclosure mechanism for debt securities. Based on suggestions from market participants, SEBI has proposed to introduce a visual 'Credit Risk-o-Meter'. This tool will visually represent the credit risk of debt securities and help investors (especially retail) evaluate investment suitability. SEBI has invited feedback from the public on the draft circular annexed to this Consultation Paper as Annexure X. The comments or suggestions should be submitted latest by September 03, 2026.

For details:
https://www.sebi.gov.in/reports-and-statistics/reports/aug-2026/consultation-paper-on-the-mandatory-adoption-of-a-credit-risk-o-meter-as-an-additional-disclosure-mechanism-for-debt-securities_103613.html

- **SEBI Consultation Paper on review of Accredited Investor framework (August 13, 2026)**

This consultation paper has sought comments and suggestions from stakeholders on various aspects of the Accredited Investor framework, including accreditation processes, verification mechanisms, operational requirements, eligibility determination and associated safeguards, with a view to ensuring that the framework continues to achieve its intended objectives efficiently while preserving investor protection, market integrity and regulatory credibility. The proposal is in continuation of SEBI's focus on ease of doing business, deepening the pool of risk capital, and the long-term vision of transitioning from a "minimum commitment threshold" to "accreditation status" as the primary metric of an investor's risk sophistication. Public comments or suggestions are invited on the proposals mentioned in the Consultation Paper and must be submitted on or before September 03, 2026.

For details: https://www.sebi.gov.in/reports-and-statistics/reports/aug-2026/consultation-paper-on-review-of-accredited-investor-framework_103550.html

- **IFSCA Consultation Paper on the Draft Circular titled "Framework for Leasing Activity in International Financial Services Centre" (August 13, 2026)**

The IFSCA vide this consultation paper has proposed to merge the Framework for Aircraft Lease and Framework for Ship Leasing into the new consolidated framework with an objective to provide greater clarity and provide the ease of doing business for entities. The consolidated framework introduces the following additions to the leasing ecosystem of IFSC:

i. Enablement of Oilfield Equipment Leasing.
ii. Enablement of SPV Structure: Enabling Special Purpose Vehicle (SPV) structure for creating leasing structures in IFSC to hold specific assets.

Comments and suggestions may be submitted to IFSCA in prescribed format on or before September 02, 2026.

For details:
https://ifsca.gov.in/CommonDirect/GetFileView?id=29709e474fe6b066fc0cb19f7dfa401c&fileName=Consultation_paper_on_the_Framework_for_Leasing_activity_in_IFSC_20260813_0634.pdf

- **Consultation paper on proposed amendments to the IFSCA Banking Handbook on General Directions (August 12, 2026)**

Para 3 (Governing Body) of Module 2 (Governance Directions) of the IFSCA Banking Handbook – General Directions (V 5.0) requires the Governing Body of an IBU (IFSC Banking Unit) to meet at least once every quarter. Further, para 3 of Module 3 (Controlled and Designated Functions) of the said Handbook specifies the positions in respect of an IBU that are required to be held by an Approved Individual at all times.

Based on the results of supervisory assessments of IBUs with respect to compliance with the above requirements, it was felt that detailed specifications for compliance with the said requirement may be warranted. Accordingly, it was proposed to undertake suitable amendments to the IFSCA Banking Handbook - General Directions. The proposed amendments are set out in the circular annexed to this consultation paper.

Comments and suggestions may be submitted to IFSCA in prescribed format on or before September 01, 2026.

For details:
https://ifsca.gov.in/CommonDirect/GetFileView?id=29709e474fe6b066fc0cb19f7dec51e6&fileName=Consultation_paper_on_changes_in_banking_handbook_20260812_0607.pdf

- **SEBI Consultation Paper on FPI Participation in Exchange Traded Commodity Derivatives (ETCDs) (August 11, 2026)**

SEBI has placed this consultation paper with an objective to seek stakeholder views on the following proposals:

1. FPI Participation in Non-Agricultural Index Derivatives Contracts
2. FPI Participation in Non-Cash Settled Non-Agricultural Commodity Derivatives Contracts

SEBI had been receiving representations from exchanges and market participants seeking to widen the scope of FPI participation in the Indian commodity derivatives market. The proposals, *inter alia*, submit the case to enable FPI participation in non-agri indices and physically settled non-agri ETCDs. The comments or suggestions are invited on the above-mentioned proposals and should be submitted latest by September 01, 2026.

For details:
https://www.sebi.gov.in/reports-and-statistics/reports/aug-2026/consultation-paper-on-fpi-participation-in-exchange-traded-commodity-derivatives-etcds-_103485.html

- **Consultation Paper on Review and Expansion of the Scope of the SEBI (Vault Managers) Regulations, 2021 (August 11, 2026)**

SEBI has placed this consultation paper with an objective to seek comments from the public on a consolidated proposal comprising:

1. review and expansion of the scope of the SEBI (Vault Managers) Regulations, 2021; and
2. consequent issuance of a circular specifying the framework for Electronic Gold Receipts ("EGRs") and operating guidelines for providing vaulting services for SEBI specified bullion related instruments ("Proposed Circular").

The proposal is aimed at creating a harmonised vaulting framework across all SEBI specified bullion related instruments viz. EGRs, Exchange Traded Funds (ETFs) on bullion, derivatives on bullion and any other instrument on bullion as maybe prescribed by SEBI. The comments or suggestions are invited on the above-mentioned proposals and should be submitted latest by September 01, 2026.

For details:
https://www.sebi.gov.in/reports-and-statistics/reports/aug-2026/consultation-paper-on-review-and-expansion-of-the-scope-of-the-sebi-vault-managers-regulations-2021_103493.html

- **SEBI Consultation Paper on Review of provisions related to ISIN for Debt Securities (August 10, 2026)**

SEBI has placed this consultation paper with an objective to seek public comments on the following proposals:

1. Proposal related to allowing additional ISINs to mature in a financial year.(Draft Circular titled "Review of provisions related to International Securities Identification Number (ISIN) for debt securities issued on private placement basis" is placed at Annexure A to this consultation paper.)
2. Proposal related to amending the requirement to list all outstanding unlisted debt securities by a listed entity, in terms of Regulation 62A of LODR Regulations.

The comments or suggestions are invited on the above-mentioned proposals and should be submitted latest by August 31, 2026.

For details:

https://www.sebi.gov.in/reports-and-statistics/reports/aug-2026/consultation-paper-on-review-of-provisions-related-to-isin-for-debt-securities_103475.html

❖ *Business and Economy*

NITI Aayog highlighted 12 priority sectors to make India a global manufacturing hub (August 13, 2026)

Dr. Ashok Kumar Lahiri, Vice Chairperson of NITI Aayog, has released a report titled "Key Sectors to Position India as a Global Manufacturing Hub". The report highlighted 12 priority sectors that hold strong potential for global competitiveness, local value addition, job creation, and deeper integration into global supply chains. It also lays down a strategic roadmap to strengthen India's manufacturing ecosystem and support the vision of Viksit Bharat. The 12 key sectors shortlisted in the report are automobiles, electronics, steel, capital goods, defence and drones, chemicals, solar PV, textiles, pharmaceuticals and medical devices, telecom equipment, leather and footwear and food processing. Dr Lahiri stated that the global manufacturing landscape was undergoing rapid change as businesses actively sought to diversify their supply chains. He expressed confidence that the report would serve as a useful reference for policymakers, government, industry leaders, and researchers as they worked together to strengthen India's manufacturing ecosystem.

For details:
https://newsonair.gov.in/niti-aayog-highlights-12-priority-sectors-to-make-india-a-global-manufacturing-hub/

Note: Info Capsule will be circulated on weekly basis i.e., every Monday.