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Modifications under the International Financial Services Centres Authority (Anti-Money Laundering, Counter-Terrorist Financing and Know Your Customer) Guidelines, 2022 – August 3, 2026

The International Financial Services Centres Authority (IFSCA) has issued modifications to the International Financial Services Centres Authority (Anti-Money Laundering, Counter-Terrorist Financing and Know Your Customer) Guidelines, 2022, primarily to strengthen reporting requirements and facilitate the onboarding of certain non-resident Indian (NRI) customers. The modifications clarify reporting obligations by including Cross Border Wire Transfer Reports (CBWTRs) within the applicable reporting framework and require regulated entities to file reports online through the FINgate 2.0 portal. The amendments also revise the permitted jurisdictions for IP addresses of NRI customers and for onboarding low-risk NRI customers through Video-based Customer Identification Process to include the United States, Japan, South Korea, United Kingdom (excluding British Overseas Territories), Canada, UAE, Singapore, Australia and the European Union, subject to such jurisdictions not being identified as high-risk by the Financial Action Task Force or the Central Government. To access the consultation paper, click here.

Consultation Paper on Measures Towards Ease of Doing Business or REIT and InvITs – August 6, 2026

The Securities and Exchange Board of India (SEBI) has released a consultation paper proposing various ease of doing business measures for Real Estate Investment Trusts (REITs) and Infrastructure Investment Trusts (InvITs), based on inputs from industry associations and recommendations of the hybrid securities advisory committee. The matters consulted include permitting REITs and InvITs to make minority investments in under-construction third-party projects, within the existing applicable limits, without acquiring a controlling interest; revising the manner of computing thresholds for unitholder approvals for certain matters; reviewing the exit offer framework in cases of a change in sponsor; recognising remote common infrastructure as real estate for REITs; and reducing the cooling-off period for Offer for Sale by privately listed InvITs from 12 weeks to 8 weeks. To access the consultation paper, click here.

IFSCA Directs Regulated Entities to Maintain Valid Letter of Approval and Regulatory Instruments – August 10, 2026

IFSCA has directed all regulated entities in the IFSC to ensure that they continuously hold a valid and subsisting Letter of Approval (LoA) issued under the Special Economic Zones Act, 2005 (SEZ Act), as well as all applicable regulatory instruments required for undertaking permissible activities. The Circular reiterates that an LoA is valid for one year where business has not commenced and five years where business has commenced, with renewal applications required to be filed at least two months before expiry. Regulated entities have been specifically directed not to undertake any business activities without a valid LoA and applicable regulatory instruments. Non-compliance may constitute a violation of the IFSCA Act, SEZ Act and applicable rules or regulations, exposing entities to enforcement action, including financial penalties, suspension or cancellation of regulatory instruments. The Circular supersedes the earlier circular dated April 3, 2025, and comes into force with immediate effect. To access the direction, click here.

Consultation Paper on Review of Provisions Related to ISIN for Debt Securities – August 10, 2026

SEBI has released a consultation paper on the review of provisions relating to International Securities Identification Numbers (ISINs) for debt securities, proposing changes to facilitate debt fundraising and reduce operational constraints for issuers. SEBI proposes to increase the maximum number of ISINs maturing in a financial year from fourteen to seventeen, including raising the limit for plain-vanilla debt securities from nine to twelve, with additional ISINs unlocked based on the amount of debt maturing. It also proposes excluding Government of India/Extra Budgetary Resources bonds and ESG debt securities from the prescribed ISIN limits, thereby providing greater flexibility to issuers and encouraging ESG-linked debt issuance. Further, SEBI proposes to amend Regulation 62A of the LODR Regulations to remove the requirement for a new issuer seeking to list its debt securities to mandatorily list all outstanding unlisted debt securities issued before its first listing, while retaining mandatory listing for subsequent debt issuances after the first listing. To access the consultation paper, click here.

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Consultation Paper on Review of Accredited Investor Framework – August 13, 2026

SEBI released a consultation paper proposing measures to simplify the accreditation process and broaden the eligibility framework for Accredited Investors (AI). The proposals include permitting Alternative Investment Fund managers to determine and record the accredited status of investors, prescribing validity periods for manager-led accreditation and aligning the validity of accreditation through Accreditation Agencies; introducing "securities market assets" as a new eligibility criterion, with proposed thresholds of INR five crore for individual investors and INR twenty crore for body corporates; extending deemed AI status to all persons resident outside India, including all foreign portfolio investors; and permitting a "look-through" approach for LLPs where each partner is an AI. SEBI has further sought views on recognising a wholly owned subsidiary as an AI where its parent company satisfies the prescribed net-worth requirement, subject to appropriate safeguards, and on the corresponding draft regulatory amendments. To access the consultation paper, click here.

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

SEBI has released a consultation paper proposing a comprehensive review of the SEBI (Settlement Proceedings) Regulations, 2018 and introducing the proposed SEBI (Settlement of Proceedings) Regulations, 2026. The review seeks to make the settlement mechanism simpler, more predictable, and more effective, thereby reducing litigation while maintaining adequate deterrence against regulatory violations. SEBI's review of settlement applications that did not result in settlement found that the proposed settlement amounts were, on average, around eight times higher than the penalties ultimately imposed; the proposed changes aim to bring this ratio down to approximately four times, thereby making settlement more practical and attractive. The proposals have been developed following stakeholder consultations and recommendations of SEBI's High Powered Advisory Committee (HPAC) and include changes to the existing settlement framework, along with a new draft set of Settlement Regulations, 2026. To access the consultation paper, click here.

SEBI Seeks Inclusion of Fractional Shares in Companies Amendment Bill – August 24, 2026

SEBI has proposed that the Companies Amendment Bill recognise the issuance and holding of fractional shares, which are portions of a share representing less than one whole share. Fractional shares may arise in corporate actions such as mergers, bonus issues and rights issues, and their recognition could enable retail investors to participate in companies whose individual share prices may otherwise be unaffordable. The proposal, which had earlier been recommended by the Company Law Committee in 2022, would require appropriate safeguards, particularly in relation to voting rights and protection of minority shareholders. To access the article, click here.

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