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NEWSLETTER

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TABLE OF CONTENTS

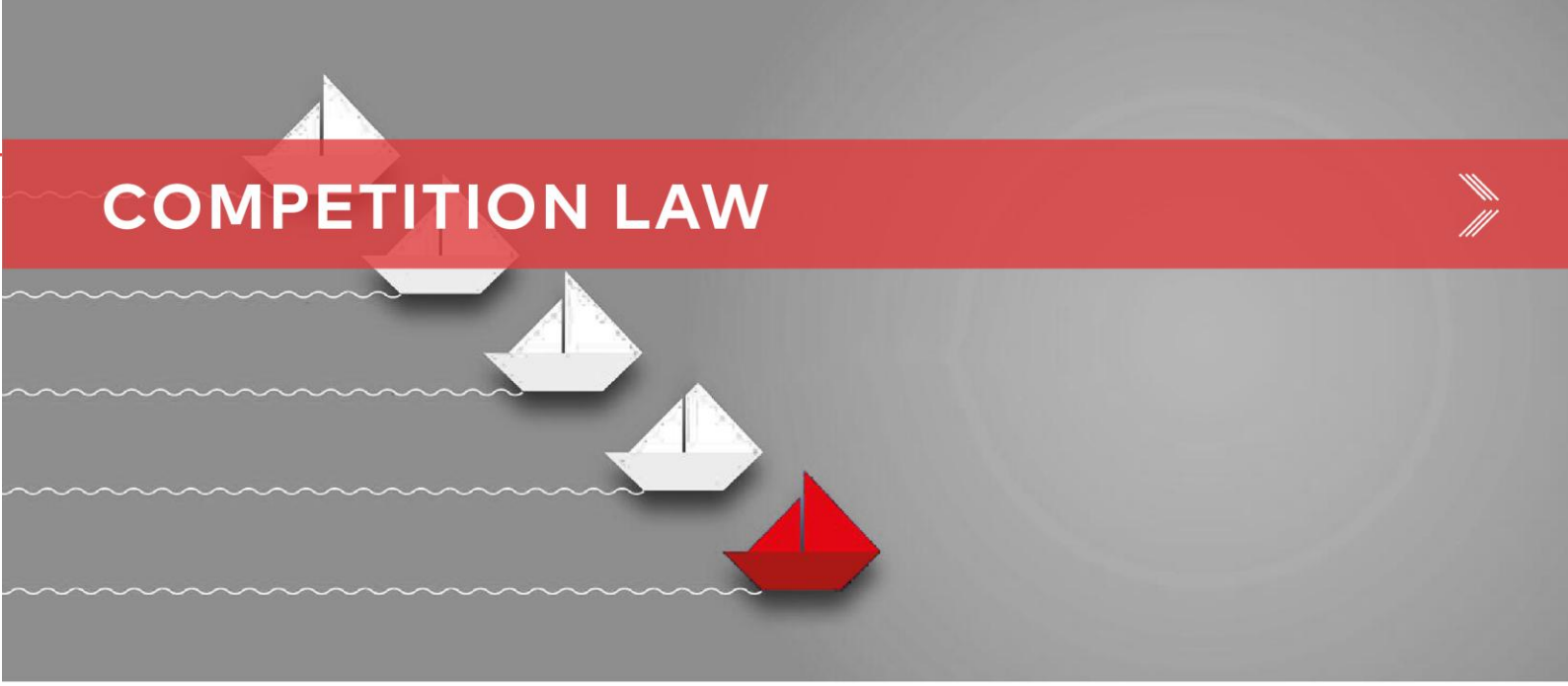
MASTER CIRCULAR FOR ALTERNATIVE INVESTMENT FUNDS (ISSUED 3 JUNE 2026)

SEBI issued a revised Master Circular consolidating all circulars issued under the SEBI (Alternative Investment Funds) Regulations, 2012 up to 31 May 2026, together with the circular dated 16 June 2026 relating to winding up of AIFs. The circular supersedes the Master Circular dated 7 May 2024 and serves as the principal consolidated regulatory framework governing Alternative Investment Funds.

The Master Circular consolidates all operational, procedural and compliance requirements applicable to AIFs into a single document, incorporating every circular issued between 1 April 2024 and 16 June 2026. It rescinds the earlier circulars listed in Annexure 24 to the extent covered by the Master Circular, while preserving actions already taken under those circulars.

The Master Circular consolidates the regulatory framework relating to registration and categorisation of AIFs, investment conditions and investment concentration limits, overseas investments by AIFs, valuation of investments, disclosure and reporting obligations, governance and compliance requirements, appointment and responsibilities of custodians, issue and dematerialisation of AIF units, accreditation framework for investors, processing of Private Placement Memoranda, regulatory reporting, winding up of AIFs, retention of sale proceeds and treatment of unclaimed amounts, recognition and operation of Inoperative Funds, certification requirements for compliance officers, operational modalities for transfer, pledge and dematerialisation of units, and investor servicing and compliance obligations.

The revised Master Circular specifically incorporates recent regulatory developments, including the Fast Track Mechanism for processing of Private Placement Memoranda, a simplified accreditation framework for Accredited Investors, reporting of AIF unit values to depositories, the regulatory reporting framework for AIFs, certification requirements for compliance officers, guidelines relating to winding up of AIFs, the framework governing retention of proceeds during winding up, and introduction of the concept of an “Inoperative Fund”.



CCI APPROVES TORRENT POWER LIMITED'S ACQUISITION OF NABHA POWER LIMITED

The Competition Commission of India, vide order dated April 7, 2026, approved the acquisition of 100% of the equity shares and non-cumulative optionally convertible redeemable preference shares of Nabha Power Limited by Torrent Power Limited

The Commission observed horizontal overlaps between the Acquirer Group and the Target in the broad market for power generation in India, the narrow market for power generation through non-renewable sources in India, and the narrower market for thermal power generation through coal in India. Potential vertical linkages were also identified between the upstream power generation market and the downstream markets for power transmission and power distribution in India.

With regard to the horizontal markets, the Commission observed that the combined market share of the Parties is in the range of [0-5]% with insignificant incremental market share and the presence of several other credible players. The Acquirer Group has insignificant presence in the downstream Power Transmission Market, and its market share in the downstream Power Distribution Market is in the range of [0-5]%. Each of these markets is characterised by the presence of several other players, and accordingly, the Proposed Combination is not likely to raise any competition foreclosure concern in India.

Considering the material on record and the assessment based on the factors stated in Section 20(4) of the Act, the Commission was of the opinion that the Proposed Combination is not likely to have AAEC in India, and approved the Proposed Combination under Section 31(1) of the Act.

CCI APPROVES BN AGROCHEM LIMITED'S INTERNAL GROUP MERGER

The CCI vide order April 28, 2026, aproved the amalgamation of A1 Agri Global Limited, B.N. Agritech Limited and Salasar Balaji Overseas Private Limited into BN Agrochem Limited pursuant to a Scheme of Amalgamation, with BN Agrochem Limited being the surviving entity.

Under the Scheme, Agri, BNA, and Salasar (the "**Transferor Companies**") will merge into BNAC, which shall be the surviving entity. The Parties form part of the BN Group and are directly or indirectly controlled by Mr. Anubhav Agarwal and his family.

The Commission observed that the Proposed Combination is primarily an internal restructuring and is not likely to result in any significant change in control dynamics of the Parties. Nonetheless, the Commission considered the presence of the Parties in various horizontally overlapping and vertically linked market segments to examine the position of the Parties in the edible oil industry.

The combined market share of the Parties in the broader market of edible oil and narrower market segments of palm oil, sunflower oil, and kachi ghani mustard oil was estimated to be less than 5%, and less than 10% in the market segment of soya oil. The Proposed Combination was found not likely to cause AAEC in the horizontally affected market segments, and the vertical linkages were also found unlikely to confer the resulting entity with any ability or incentive to engage in foreclosure strategies.

Considering the material on record and the assessment based on the factors stated in Section 20(4) of the Act, the Commission approved the Proposed Combination under Section 31(1) of the Act.

CCI APPROVES KIMBERLY-CLARK CORPORATION'S ACQUISITION OF KENVUE INC.

On May 12, 2026, the Commission received a notice under Section 6(2) of the Act given by Kimberly-Clark Corporation ("**Kimberly-Clark**" or "**Acquirer**"), relating to the proposed acquisition of sole control over Kenvue Inc. ("**Kenvue**" or "**Target**"), pursuant to an Agreement and Plan of Merger dated November 2, 2025.

The Proposed Combination is to be implemented in two steps: first, a merger sub of Kimberly-Clark will be merged with and into Kenvue, with Kenvue surviving as a direct wholly owned subsidiary; and second, Kenvue will be merged with and into a second merger sub of Kimberly-Clark, with that second merger sub surviving as a direct wholly-owned subsidiary of Kimberly-Clark, thereby resulting in Kenvue becoming wholly-owned and solely controlled by Kimberly-Clark.

Kimberly-Clark Group is active globally in the production and sale of a range of products made from natural or synthetic fibres and materials for personal, business, and industrial use, and in India is mainly engaged in the supply of feminine hygiene products and the production and supply of baby diapers. The Kenvue Group is active in the manufacturing and supply of consumer health products in the categories of self-care, skin health and beauty, and essential health. Kenvue's business in India mainly consists of non-prescription medicines and wellness-focused products, including oral care, digestive health products, skin health and beauty products, sun protection products, baby toiletries and baby wipes, and feminine hygiene products.

For the purpose of competition assessment, the Commission observed that the Proposed Combination involves horizontal overlaps in the product segment of feminine hygiene products. The Commission observed that Kenvue's market share in the broader feminine hygiene product segment ranged between [35-40]% for the period 2020-2022 and between [30-35]% for the period 2023-2024, while the presence of the Acquirer in this segment was estimated to be less than 5%, resulting in a combined market share in the range of [30-35]% with an increment of [0-5]%. The Acquirer, post the Proposed Combination, will continue to be constrained by Procter & Gamble (Whisper brand), which leads the market with an estimated market share in the range of [45-50]%. Given the insignificant increment and constraints from this significant competitor, the Proposed Combination was found not likely to cause AAEC in the broader feminine hygiene products segment.

In the sub-segment of menstrual pants, the Commission examined potential horizontal overlaps and observed that the sub-segment is led by Procter & Gamble with an estimated market share of [45-50]%, while the Acquirer's presence is estimated at less than 5%. The Commission found that the Proposed Combination is unlikely to eliminate potential competition by incentivising the Acquirer to delay or shelve Kenvue's entry plans in this sub-segment.

Considering the material on record and the assessment based on the factors stated in Section 20(4) of the Act, the Commission was of the opinion that the Proposed Combination is not likely to have AAEC in India and approved the Proposed Combination under Section 31(1) of the Act.

CCI DIRECTS DG INVESTIGATION INTO ANTI-COMPETITIVE PRACTICES BY MRS. INDIA INC. IN THE BEAUTY PAGEANT SECTOR

The CCI passed by order dated June 2, 2026, formed a prima facie opinion under Section 26(1) of the Competition Act, 2002 that Mrs. India Inc. had contravened the provisions of Sections 3(4)(a), 3(4)(b), 4(2)(a)(i), 4(2)(b)(i), and 4(2)(d) of the Act, and directed the Director General to investigate the matter.

The Informant is an individual who was a participant and runner-up of the OP's 'Mrs. India' beauty pageant competition held in 2024. The OP holds exclusive licences to the world's leading international beauty pageants in the 'Mrs. Category', including Mrs. World, Mrs. Globe, Mrs. Earth, Mrs. Galaxy, and Mrs. International Summit.

After paying an initial registration fee of INR 3,000, the Informant was required to choose a compulsory training and grooming package, with available options being a Basic Package priced at INR 3,25,000 and a Premium Package priced at INR 6,75,000. The OP persuaded the Informant to choose the Premium Package by asserting that it would entitle her to a guaranteed chance to be among the top participants.

After the Informant was declared the first runner-up and received the title of 'Mrs. India Galaxy', the OP presented her with a 'Winners' Terms and Conditions Agreement' imposing further unfair conditions, including a 5-year prohibition on participating in any other beauty pageant in any capacity, and demanded a sum of up to INR 25,00,000 to enable her participation in 'Mrs. Galaxy' International Beauty Pageant, 2025.

The Commission observed that the alleged agreements contain clauses in the nature of tie-in and exclusive dealing arrangements, potentially in contravention of Sections 3(4)(a) and 3(4)(b) of the Act. The prohibition on the Informant from being a part of or promoting any other pageant was identified as an exclusive dealing arrangement, while the condition requiring the Informant to join hands with a social cause recognised by the OP only was identified as a tie-in arrangement.

On the question of dominance, the Commission noted that based on the OP's international franchise holdings, national reach, media and public visibility, longevity, and frequency of editions, the OP appears to be a dominant player in the delineated relevant market by virtue of holding exclusive licences to send its winners to participate as India's representative at Mrs. Globe, Mrs. Galaxy, Mrs. International Summit, and Mrs. World.

The Commission found *prima facie* that the OP's conduct, including the disclosure of onerous contractual terms only after substantial payments were already made, the 5 year restriction on participation in other pageants, the requirement to contribute to OP-designated social causes, and the requirement to obtain OP's approval before making any professional appearances or entering into contracts, amounted to a *prima facie* case of contravention of Sections 3(4)(a), 3(4)(b), 4(2)(a)(i), 4(2)(b)(i), and 4(2)(d) of the Act.

Accordingly, the Commission directed the Director General ("**DG**") to cause an investigation into the matter and submit the investigation report within a period of 90 days from the receipt of the order. The Commission clarified that the findings at this stage are *prima facie* only and do not constitute a final determination on the merits of the case.

CCI CLOSES CASE AGAINST NANUAN TRAVELS IN CHANDIGARH AIRPORT TAXI SERVICES MATTER

The Commission vide an order dated June 8, 2026, dismissed the case under Section 26(2) of the Act, filed by Mr. Harmeet Singh ("**Informant**") against Nanuan's (also known as Nanuan Travels) ("**OP-1**") and Shaheed Bhagat Singh International Airport managed by Chandigarh International Airport Limited ("**CHIAL**") ("**OP-2**"), for alleged contravention of Sections 3 and 4 of the Act.

The Informant is a self-employed solo cab/taxi driver working under an All India Tourist Permit, while OP-1 is a licensed taxi/cab operator to whom the tender for providing taxi/cab services at OP-2 has been awarded.

The Informant alleged that any operator winning the tender for taxi/cab services at the airport gains a dominant position, which it exploits through anti-competitive practices. Specifically, it was alleged that OP-1 physically prevented solo cab drivers from accessing areas near arrival gate no. 1, captured all exiting passengers through its strategically placed booth, and charged arbitrarily high fares frequently exceeding the maximum fare limits agreed with CHIAL. It was further alleged that OP-1 enforced its monopoly through intimidation and coercion, including death threats, threats of physical violence, and the use of hired enforcers.

The Commission noted that OP-1 established its canopy/booth pursuant to a competitive tender process and that, as per clause 14 of the licence agreement, OP-1 has no claim for exclusivity. The Commission observed that the award of a tender does not, per se, confer any statutory or de facto exclusive right to operate, and that such a standard commercial arrangement cannot be construed as creating a barrier to entry or foreclosing competition in the relevant market.

The Commission further noted that passengers retain the choice to use app-based taxi service providers such as Ola and Uber, or pre-arranged transport, thereby undermining the allegation that all existing passengers are captured by OP-1. With regard to the allegation of enforcing a monopoly through coercion, the Commission observed that the same relates to alleged criminal conduct and does not fall within the purview of competition law.

In view of the above, the Commission was of the opinion that no prima facie case of contravention of Sections 3 and 4 of the Act is made out against OP-1 and OP-2, and accordingly closed the Information under Section 26(2) of the Act. Consequently, no case for the grant of interim relief arose, and the interim application was disposed of.

DISPUTE RESOLUTION

FIXED CAP ON DAMAGES IN THE CONTRACT DOES NOT PRECLUDE GRANT OF EXCESS DAMAGES ON ACCOUNT OF FUNDAMENTAL CONTRACTUAL BREACH

The Hon'ble Bombay High Court ("**Hon'ble Court**"), in PWD Government of Maharashtra (National Highways Division) v. Khare & Tarkunde Infrastructure Pvt. Ltd.,[1] applied the doctrine of severability and partly sustained the arbitral award ("**Award**") in favour of the Respondent under Section 34 of the Arbitration and Conciliation Act, 1996 ("**Act**") by ruling that the Petitioner cannot rely on a contractual cap on damages after failing to fulfil its own obligation of providing land for a highway project. On the other hand, the Hon'ble Court partly set aside the Award in favour of the Petitioner on the issue of interest at 18% compounded at quarterly rests as it was squarely in conflict with the calibrated bargain entered into by the parties in the agreement.

The parties executed an agreement in respect of road infrastructure for a time period of 18 months ("**Agreement**"). Under the Agreement, the Petitioner was to provide the Respondent with Right of Way ("**ROW**") to the extent of at atleast 90% of the total length of the project within 15 days from the date of execution of the Agreement. The damages payable due to default of the Petitioner was capped at 1% of the contract price. Disputes arose between the parties as the Petitioner failed to provide 90% of the ROW despite lapse of 2 years since the scheduled date of completion. The Respondent invoked arbitration against the Petitioner for claims arising out of delay in handover of ROW. The Arbitral Tribunal passed the Award in favour of the Respondent by granting compensation in excess of the fixed cap on damages due to a fundamental breach committed by the Petitioner (i.e., failure to handover 90% ROW within stipulated time). The Petitioner challenged the Award under Section 34 of the Act before the Hon'ble Court.

The Hon'ble Court found no infirmities in the reasoning provided by the Arbitral Tribunal in granting compensation in excess of fixed cap on damages under the Agreement due to the abject breach committed by the Petitioner and keeping the Respondent mobilised for 45 months. Since the delay in handover of ROW was abnormal, the exclusionary clause could not be blindly applied as it would have led to the Petitioner taking benefit of its own wrong. The Court observed that the interpretation by the Arbitral Tribunal gives business efficacy to the Agreement as a whole. On the issue of interest, the Hon'ble Court held that there was no scope to regard the parties as having agreed for compounding of interest at quarterly rests. The Court further observed that an attempt to justify it by reference to the interest burden borne by the Respondent with its lenders, nudged the award of interest from the realm of interest to the realm of assessment of damages. The Hon'ble Court granted liberty to the parties to refer the element of interest and the dispute over the rate of interest to be awarded for fresh arbitration.

PENDING INSOLVENCY NO GROUND TO DENY DEEMED CONVEYANCE IN FAVOUR OF THE SOCIETY UNDER MOFA

The Hon'ble Bombay High Court ("**Hon'ble Court**"), in Darshan Mandir Co-operative Housing Society Ltd. v. District Deputy Registrar, Co-operative Societies & Ors[2], held that the grant of Deemed Conveyance under Section 11(3) of the Maharashtra Ownership Flats (Regulation of the Promotion of Construction, Sale, Management and Transfer) Act, 1963 ("**MOFA**") cannot be denied even in case of a pending

[1] PWD Government of Maharashtra (National Highways) v. Khare & Tarkunde Infrastructure Pvt. Ltd (Arb. Petition No. 262 of 2024 with I.A. (L) No. 21282 of 2024, I.A. (L) No. 32187 of 2023 in Arb. Petition No. 263 of 2024.

[2] Darshan Mandir Co-operative Housing Society Limited vs District Deuty Registrar, Co-operative Society Mumbai (4) WP-16318-2025

Corporate Insolvency Resolution Proceedings ("**CIRP**") against a promoter or subsequent purchaser.

The Petitioner is a registered co-operative housing society. The building was to be developed by Respondent No. 3 pursuant to execution of a Development Agreement by Gautam Builders (ie., original owner) Respondent No. 3 undertook to execute a conveyance pursuant to completion of construction of the building which however, was never executed by it. It was later discovered that Respondent No. 4 had secured conveyance in respect of some of the adjoining properties from Respondent Nos. 2 and 3 ad sought NoC from the Petitioner. Aggrieved by the same, Petitioner filed a suit against Respondent Nos.2 and 3 challenging the conveyance of the properties and thereafter, filed an application before the Competent Authority under Section 11 of MOFA seeking the deemed conveyance of the building and properties. Canara Bank filed a Section 7 of Insolvency and Bankruptcy Code, 2016 ("**IBC**") for initiation of CIRP against Respondent No.4 which came to be admitted on March 11, 2024 at which time, an Interim Resolution Professional ("**IRP**") was appointed in respect of Respondent No.4. The Competent Authority accepted the objections of the IRP and rejected the Petitioner's application for deemed conveyance holding that the same cannot be adjudicated in light of initiation of CIRP against Respondent No.4.

In such backdrop, the Hon'ble Court was seized with the issue of determining as to (i) whether pendency of CIRP under the IBC against the promoter can be a reason for the Competent Authority not to exercise jurisdiction under Section 11(3) of MOFA and (ii) whether Section 14 of the IBC creates a bar for the Competent Authority to grant deemed conveyance in favour of organization of flat purchasers.

The Hon'ble Court analysed the various provisions of MOFA and IBC and held that (i) proceedings for granting a Deemed Conveyance are neither debt recovery proceedings nor actions for enforcement of monetary claims; (ii) under Section 11 of MOFA, the Competent Authority performs a statutory function aimed at perfecting title in favour of flat purchasers and enforcing the promoter's statutory obligation. Hence, such proceedings do not fall in the category of the moratorium under Section 14 of the IBC; (iii) the statutory rights of flat purchasers and the corresponding duties of authorities continue notwithstanding any insolvency proceedings as there is no inconsistency between the objectives of MOFA and the IBC; (iv) mere initiation of CIRP against Respondent No. 4 i.e. M/s. Vas Infrastructure Ltd cannot be a reason for the Competent Authority not to exercise powers under Section 11(3) of MOFA and (v) grant of a Deemed Conveyance does not lead to alienation of corporate debtor's assets but a mere pre-existing statutory entitlement of flat purchasers under Section 14 of the IBC.

LIMITATION FOR APPLICATION UNDER SECTION 34 OF ARBITRATION ACT TO BE RECKONED FROM THE DATE OF DISPOSAL OF REQUEST UNDER SECTION 33 OF ARBITRATION ACT

The Hon'ble Supreme Court, in National Highway Authority of India Vs T. Younis,[3] held that where a request under Section 33 of the Arbitration and Conciliation Act, 1996 (**"Act"**) has been made, the limitation period for filing an application under Section 34 of the Act should be reckoned from the date on which such request is disposed of by the Arbitral Tribunal.

In the instant case, both parties filed applications for correction under Section 33 of the Act in July 2022 which came to be dismissed by way of a common order on July 4, 2022. The Appellant filed application under Section 34 of the Act on October 29, 2022 challenging the Award along with application seeking condonation of delay. Respondent No.1 succeeded in appeal before the Hon'ble Karnataka High Court (in writ jurisdiction) which dismissed the arbitration applications filed by the Appellant as being time barred. Aggrieved by this, the Appellant filed an Appeal before the Hon'ble Supreme Court.

The Hon'ble Court was seized with the issue of determining as to whether limitation under Section 34(3) of the Act would commence from the date of original award or from the date on which the application under Section 33 came to be disposed of.

The Hon'ble Court held the date of disposal of the Applications under Section 33 of the Act acts as the starting point for computing limitation under Section 34(3) of the Act, irrespective of the outcome of Section 33 applications i.e., whether they are allowed and/or dismissed, or whether they are found to be maintainable or valid by the Arbitral Tribunal. Once the jurisdiction under Section 33 of the Act is formally invoked and such proceedings are entertained by the Arbitral Tribunal, the limitation period for filing an application under Section 34 of the Act would commence only from the date on which such request is disposed of by the Arbitral Tribunal.

Accordingly, the Hon'ble Court set aside the order passed by the Hon'ble Karnataka High Court and restored the orders passed by the Principal District and Sessions Judge, Ballari condoning the delay in filing application under Section 34 of the Act. The Hon'ble Court held that the Application under Section 34 of the Act would be decided on their on merits.

[3] National Highway Authority of India Vs T. Younis, 2026 INSC 616

STATUTORY UPDATES

TELANGANA PLATFORM BASED GIG WORKERS ACT, 2026 COMES INTO FORCE

Pursuant to the notification dated 02 June 2026, the Government of Telangana has brought the Telangana Platform Based Gig Workers (Registration, Social Security and Welfare) Act, 2026 ("**Gig Workers Act**") into force with effect from 02 June 2026. The Gig Workers Act applies to aggregators and digital platforms operating in Telangana and provides a statutory framework for registration, welfare, and social security benefits of platform-based gig workers engaged through such platforms. The Gig Workers Act, *inter alia*, provides for registration of platform-based gig workers and aggregators, establishment of a grievance redressal framework, regulation of contractual arrangements between platforms and gig workers, transparency obligations concerning automated decision-making systems, and creation of a welfare fund for extending social security benefits to registered gig workers. The operationalisation of the Gig Workers Act marks a significant step towards regulation of the platform economy and strengthening social security protections for gig workers.

GUJARAT GOVERNMENT PROPOSES ENHANCED COMPLIANCE FRAMEWORK FOR WOMEN WORKING IN NIGHT SHIFTS

The Government of Gujarat has published the draft Gujarat Shops and Establishment (Regulation of Employment and Conditions of Service) (Amendment) Rules, 2025, proposing a revised framework for employment of women employees during night shifts. The draft rules permit employment of women between 9:00 P.M. and 6:00 A.M., subject to fulfilment of specified safety, welfare, and security requirements by employers.

Under the proposed framework, employers would be required to obtain written consent from women employees, provide GPS-enabled transportation facilities, undertake police verification of drivers, ensure availability of adequate workplace facilities including CCTV surveillance and proper lighting, and comply with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 (**"POSH Act"**).

The draft rules also require employers to submit a self-declaration confirming compliance with the prescribed conditions and provide that non-compliance may attract penalties and legal action as per applicable Acts and rules. The proposed amendments reflect the State Government's continued focus on promoting workforce participation of women while strengthening employer obligations relating to workplace safety, security, and welfare during night shifts.

CENTRAL GOVERNMENT DELEGATES POWER TO APPOINT VERIFICATION OFFICERS UNDER IR CODE

The Ministry of Labour and Employment, Government of India ("**Ministry**"), vide notification dated 11 June 2026, has delegated its powers under Rule 9(3) of the Industrial Relations (Central) Rules, 2026 to officers of the rank of Joint Secretary handling industrial relations in the Ministry. The delegated power relates to the appointment of verification officers for the recognition of negotiating unions and negotiating councils under Section 14 of the Industrial Relations Code, 2020 ("**IR Code**"). The delegation applies to establishments where the Central Government is the appropriate Government and is intended to facilitate the implementation of the statutory framework relating to the recognition of negotiating unions and negotiating councils under the IR Code.

ANDHRA PRADESH NOTIFIES INDUSTRIAL RELATIONS RULES, 2026

The Government of Andhra Pradesh has notified the Industrial Relations (Andhra Pradesh) Rules, 2026 ("**AP IR Rules**") under the IR Code with effect from 12 June 2026.

The AP IR Rules, *inter alia*, prescribe the framework governing trade unions, standing orders, grievance redressal mechanisms, industrial dispute resolution, strikes and lockouts, and compliances relating to lay-offs, retrenchment, closure, and worker re-skilling. The AP IR Rules also promote digitisation by enabling electronic filings, online submissions, digital record maintenance, and electronic communication for various compliance and dispute resolution processes.

The notification of the AP IR Rules marks another significant step towards implementation of the labour codes at the State level and reflects Andhra Pradesh's continued efforts to align its industrial relations framework with the legislative architecture contemplated under the IR Code. Employers operating in the State may consider reviewing their industrial relations policies, standing orders, trade union engagement processes, grievance redressal mechanisms, and workforce restructuring procedures to ensure compliance with the newly notified framework.

MAHARASHTRA GOVERNMENT ISSUES DRAFT EMPLOYEE COMPENSATION RULES UNDER THE CODE ON SOCIAL SECURITY, 2020

The Government of Maharashtra has issued the draft Maharashtra Employees' Compensation Rules, 2026 ("**MH EC Rules**") under the Code on Social Security, 2020 ("**SS Code**"). The MH EC Rules seek to operationalise the employee compensation framework under Chapter VII of the SS Code by prescribing procedural requirements relating to reporting of workplace accidents, payment and deposit of compensation, medical examination of employees, maintenance of records, settlement of compensation claims, and proceedings before the competent authority.

The MH EC Rules framework also prescribes various forms, notices, registers, and procedural requirements intended to facilitate administration and enforcement of employee compensation provisions under the SS Code.

MANIPUR AND NAGALAND ISSUES DRAFT RULES TO OPERATIONALISE LABOUR CODES

The Government of Manipur has issued draft rules under the IR Code, SS Code and the Occupational Safety, Health and Working Conditions Code, 2020 ("**OSH Code**") on 18 June 2026.

The draft rules are intended to operationalise the respective Labour Codes in the State and, in the case of the OSH and IR Codes, supersede the earlier draft rules issued in November 2021.

Further, the Government of Nagaland has also issued draft rules under the IR Code, SS Code, OSH Code and Code on Wages, 2019 on 19 June 2026.

The draft rules prescribe the regulatory framework for implementation of the Labour Codes in the State, covering workplace safety, industrial relations, social security, and related compliance requirements. Amongst other matters, they provide for electronic registrations and filings, constitution of statutory committees and boards, workplace accident reporting, and administration of welfare schemes.

RAJASTHAN GOVERNMENT EXEMPTS SHOPS AND ESTABLISHMENTS FROM CERTAIN COMPLIANCE REQUIREMENTS

The Government of Rajasthan has issued a notification under the Rajasthan Shops and Commercial Establishments Act, 1958 ("**Rajasthan S&E Act**") exempting shops and commercial establishments registered under the Rajasthan S&E Act from compliance with the provisions of Section 11(1) (i.e. opening and closing hours) and Section 12(1) (i.e. weekly holidays), subject to specified conditions, with immediate effect.

The exemption is conditional upon employers, *inter alia,* providing one (1) day of paid weekly rest to employees, ensuring that working hours do not exceed ten (10) hours per day and forty-eight (48) hours per week, maintaining records of overtime work, paying overtime wages in accordance with applicable law, and issuing appointment letters to all employees with a copy furnished to the concerned Labour Inspector.

The notification further clarifies that employees of such establishments shall continue to be entitled to all benefits under the Rajasthan S&E Act. The exemption shall remain subject to continued compliance with the prescribed conditions and shall stand automatically revoked in the event of any breach, without prejudice to action under the Rajasthan S&E Act or any other applicable law.

CENTRAL GOVERNMENT NOTIFIES EPF, EPS AND EDLI SCHEMES, 2026 UNDER THE SOCIAL SECURITY CODE

The Ministry has notified the Employees' Provident Fund Scheme, 2026 ("**EPF Scheme**"), Employees' Pension Scheme, 2026 ("**EPS Scheme**"), and Employees' Deposit Linked Insurance Scheme, 2026 ("**EDLI Scheme**") under the SS Code on 29 June 2026. The schemes have been notified in supersession of the existing EPF Scheme, 1952, EPS Scheme, 1995, Employees' Family Pension Scheme, 1971, and EDLI Scheme, 1976, respectively, except in respect of actions already taken under the earlier schemes.

It seeks to operationalise the framework under Chapter III of the SS Code and prescribe the regulatory framework governing membership, contributions, benefits and related compliance requirements. Amongst other matters, the schemes introduce digitised compliance processes and prescribe procedures relating to contribution remittances, benefit administration, claims and recovery of dues.

RAJASTHAN NOTIFIES OCCUPATIONAL SAFETY, HEALTH AND WORKING CONDITIONS RULES, 2026

As part of the ongoing transition to the Labour Codes framework, State Governments are increasingly notifying rules and compliance mechanisms under the new regime. In this regard, the Government of Rajasthan has notified the Rajasthan OSH Rules, 2026 under the OSH Code on 30 June 2026. The OSH Rules prescribe the framework for registration, licensing, workplace safety and health standards, welfare measures, inspections, and related compliance requirements under the OSH Code.

Amongst other matters, the OSH Rules introduce electronic registration and licensing mechanisms, digital maintenance of records and filings, constitution of the State Occupational Safety and Health Advisory Board, annual medical examinations for specified categories of employees, and procedures relating to reporting of workplace accidents and dangerous occurrences.

JUDICIAL FINDINGS

EPFO CANNOT APPLY PRO-RATE FORMULA FOR COMPUTATION OF HIGHER PENSION CONTRARY TO EMPLOYEES' PENSION SCHEME [27.05.2026]

The Hon'ble Punjab and Haryana High Court in ***Surinder Kumar v. Union of India & Ors. [2026 PHHC 084041]*** held that the Employees' Provident Fund Organisation ("**EPFO**") cannot apply a pro-rata methodology for computation of pension in "higher wage" cases under the EPS Scheme through executive instructions when such methodology is not contemplated under the statutory scheme. The Hon'ble Court further held that "*the respondents are directed to forthwith recalculate the pensionable salary of the petitioner(s) on the basis of the average monthly pay drawn during contributory period of service in the span of 60 months preceding the date of exit from the membership of the pension fund, without applying the pro-rata formula or bifurcating the service period*"

The dispute arose from a batch of writ petitions challenging an internal e-mail dated 14 February 2024 and a circular dated 18 January 2025 issued by the EPFO prescribing a pro-rata methodology for computation of pension in higher wages cases. The petitioners contended that despite exercising the joint option under Paragraph 11(4) of the EPS Scheme and contributing on higher wages, their pension was being calculated by applying a pro-rata formula not contemplated under the scheme. The petitioners further challenged the disparity between the wages considered for recovery of differential contributions and those adopted for pension computation.

The Hon'ble High Court held that pension on higher wages must be computed in accordance with the EPS Scheme and that executive instructions cannot override the statutory framework. The Hon'ble Court further emphasised that the wages considered for pension computation must correspond with the wages on which contributions were recovered. Accordingly, the Hon'ble High Court quashed the impugned circular and e-mail and directed the EPFO to recalculate pension and consequential arrears.

SUPREME COURT HOLDS THAT DISMISSAL BEING THE SEVEREST PENALTY, MUST SATISFY THE TEST OF PROPORTIONALITY [11.06.2026]

The Hon'ble Supreme Court in ***Surekha Domaji Bele v. Executive Engineer, Testing Division, MSEDCL [2026 INSC 639]*** held that the disciplinary authority is required to independently assess the proportionality of the proposed punishment by considering the gravity of the misconduct, length of service, past service record, absence or presence of financial loss or dishonesty, and whether a lesser penalty would meet the ends of justice.

The dispute arose from disciplinary proceedings initiated against an employee of the Maharashtra State Electricity Distribution Company Limited, culminating in her dismissal from service. The charges that were proved against her were related to indiscipline, insubordination or misbehaviour, disobedience of orders of superior officers, tampering with official documents, negligence and misuse of company property. Although the findings of misconduct had attained finality before the Labour Court, Industrial Court, and High Court, the employee challenged, *inter alia*, the quantum of punishment imposed, and the process adopted by the disciplinary authority while determining the penalty.

The Hon'ble Supreme Court held that dismissal from service, being the severest penalty in service jurisprudence, has a devastating effect not only on the dismissed employee but also on all those who are dependent on the employee. Therefore, disciplinary authority must be very careful in seeking to impose the severest form of punishment of dismissal.

Accordingly, the Hon'ble Supreme Court set aside the order of dismissal as being wholly disproportionate, while leaving the finding of misconduct undisturbed. The Court remitted the matter for fresh consideration of the appropriate punishment, having regard to the gravity of the misconduct.

INTERNAL COMMITTTEE CANNOT ASSUME JURISDICTION WHERE ALLEGED INCIDENT DOES NOT OCCUR AT A 'WORKPLACE' UNDER THE POSH ACT [16.06.2026]

The Hon'ble Bombay High Court in ***Siddhesh Pradeep Satpute v. State Bank of India & Ors. [2026 BHC-OS 13320-DB]*** held that an Internal Committee ("**IC**") constituted under the POSH Act cannot assume jurisdiction to inquire into a complaint unless the alleged incident of sexual harassment occurred at a "workplace" within the meaning of the said Act. The Hon'ble Court further clarified that transportation undertaken through public transport cannot be regarded as a workplace merely because the employee was travelling to work.

The dispute arose from a complaint of sexual harassment made by a woman employee in relation to an alleged incident that occurred while travelling in a shared autorickshaw from Kurla Railway Station to Bandra Kurla Complex, Mumbai. Following an inquiry, the IC of the petitioner's employer found the petitioner guilty of sexual harassment and recommended disciplinary action. The petitioner challenged the findings on the ground that the alleged incident had not occurred at a workplace and, therefore, the IC lacked jurisdiction to entertain the complaint. The Hon'ble High Court observed that only transportation provided by the employer falls within the ambit of a "workplace" under Section 2(o) of the POSH Act. Since the alleged incident occurred in a shared autorickshaw that was neither arranged nor provided by the employer, the IC lacked jurisdiction to entertain the complaint. Accordingly, the Hon'ble High Court set aside the findings of the IC. The judgment reinforces that the existence of a "workplace" is a jurisdictional prerequisite under the POSH Act and must be established before an inquiry can be undertaken.

MASTER DIRECTIONS ON AUTHORISATION TO OPERATE A PAYMENT SYSTEM

RBI, in exercise of its powers under the Payment and Settlement Systems Act, 2007 ("**PSS Act**"), has issued the Master Directions on Authorisation to Operate a Payment System ("**Master Directions**") on June 15, 2026. The Master Directions consolidate various existing directions and guidelines governing the authorisation and operation of payment systems into a single, comprehensive framework. The Master Directions repeal and subsume various earlier circulars and guidelines including: (i) Computation of Net-worth dated January 16, 2015; (ii) Guidelines for Voluntary Surrender of Certificate of Authorisation dated May 12, 2016; (iii) On-tap Authorisation of Payment Systems dated October 15, 2019; (iv) Authorisation of entities for operating a Payment System under the PSS Act – Introduction of Cooling Period dated December 04, 2020; (v) Perpetual Validity for Certificate of Authorisation (CoA) issued to Payment System Operators dated December 04, 2020; (vi) Investment in Entities from FATF Non-compliant Jurisdictions dated June 14, 2021; and (vii) Framework for Voluntary Surrender of Certificate of Authorisation dated May 12, 2023.

The key highlights of the Master Directions are:

- **Perpetual validity on Authorisations:** New entities will receive authorisation for PSO on a perpetual basis, while existing Payment System Operators ("**PSOs**") may be granted perpetual validity upon renewal, subject to continued regulatory compliance and absence of supervisory concerns.

- **Restrictions on investments from FATF non-compliant jurisdictions:** Fresh investments from or through Financial Action Task Force ("**FATF**") non-compliant jurisdictions are prohibited from acquiring 'significant influence' in PSOs (whether in existing PSOs or in entities seeking authorisation as PSOs) and must remain below the prescribed voting thresholds.

- **Framework for voluntary surrender of authorisation:** Detailed procedures have been introduced for PSOs seeking to discontinue operations, including customer notifications, settlement of liabilities, and submission of auditor-certified no-liability certificates.

- **Introduction of Cooling period:** RBI may impose a one-year cooling period on entities whose authorisation has been revoked, surrendered, or refused, during which such entities cannot reapply for authorisation.

DSK View: *The Master Directions represent a significant step towards streamlining and consolidating the regulatory framework governing payment systems in India. The Master Directions also underscore the RBI's continued emphasis on governance standards, financial soundness, and consumer protection within India's rapidly evolving digital payments ecosystem.*

Read more here

RBI STRENGTHENS CUSTOMER PROTECTION FRAMEWORK FOR FRAUDULENT ELECTRONIC BANKING TRANSACTIONS

Pursuant to the announcement made in the Statement on Developmental and Regulatory Policies dated February 6, 2026, RBI has issued the Reserve Bank of India (Commercial Banks - Responsible Business Conduct) Third Amendment Directions, 2026 ("**Third Amendment Directions**") on June 24, 2026, revising the existing framework governing customer protection in electronic banking transactions.

The Third Amendment Directions, which will apply to electronic banking transactions undertaken on or after January 1, 2027, significantly broaden the scope of the existing framework on limiting customer liability in unauthorised electronic banking transactions by introducing the concept of "fraudulent electronic banking transactions", expanding the categories of transactions covered and

introducing a compensation mechanism for small-value fraudulent transactions.
The key changes introduced by the Third Amendment Directions are as follows:

- **Introduction of the concept of "Fraudulent Electronic Banking Transactions"**
  The Third Amendment Directions introduce the concept of a "Fraudulent Electronic Banking Transaction", a broader category of transactions that encompasses: (i) transactions carried out using fraudulently obtained customer credentials; (ii) transactions executed under coercion or duress; and (iii) unauthorised electronic banking transactions. The introduction of this concept significantly broadens the scope of the existing customer protection framework to address evolving forms of digital payment fraud.

- **Expansion of scope of "Unauthorised Electronic Banking Transactions"**
  The Third Amendment Directions clarify that an "Unauthorised Electronic Banking Transaction" includes not only transactions carried out without the customer's consent, but also transactions resulting from: (i) negligence or deficiencies on the part of the bank; and/or (ii) a "Third-Party Breach". The term "Third-Party Breach" has been introduced to cover failures by intermediaries involved in the digital payments ecosystem, such as Third-Party Application Providers, Payment Aggregators, Payment Gateways and Telecom Service Providers. This recognises that fraudulent transactions may arise not only due to failures by the customer or the bank, but also because of lapses by other entities that facilitate digital payment transactions.

- **Introduction of detailed concepts of customer and bank negligence**
  The Third Amendment Directions now expressly define:
  - Bank negligence, which includes, *inter alia*, failure to maintain mandated security systems, provide 24x7 reporting channels, send mandatory transaction alerts or act diligently upon receipt of customer complaints; and
  - Customer negligence, which includes, sharing credentials, ignoring scam warnings, downloading malicious applications and failing to promptly report fraudulent transactions or update contact details with the bank.

- **Concept of Shadow Reversal**
  A new concept of "Shadow Reversal" has been introduced, under which banks are required to provide a provisional credit equivalent to the amount involved in a disputed credit card transaction while the complaint is being investigated. Although the customer cannot utilise the provisional credit during this period, no additional interest or charges can be levied on the disputed amount.

- **Compensation mechanism for small-value fraudulent transactions**
  The revised framework also introduces a one-time compensation mechanism for bona fide victims of fraudulent electronic banking transactions involving losses of up to INR 50,000 (Indian Rupees Fifty Thousand). Eligible customers may receive compensation equal to 85% (eighty-five per cent) of the net loss amount, subject to a maximum of INR 25,000 (Indian Rupees Twenty-Five Thousand), provided the fraud is reported to both the bank and the National Cyber Crime Reporting Portal or the National Cyber Crime Helpline (1930) within 5 (five) calendar days of its occurrence.

Corresponding amendments have also been issued for Small Finance Banks, Payments Banks, Local Area Banks, Regional Rural Banks, Urban Co-operative Banks and Rural Co-operative Banks, thereby extending the revised framework governing fraudulent electronic banking transactions across different categories of banks.

DSK View: *The revised framework seeks to address the evolving nature of digital payment frauds by broadening customer protections, recognising intermediary failures and introducing compensation for small-value fraudulent transactions.*

Read more here

RBI ISSUES DRAFT GUIDANCE ON REGULATORY PRINCIPLES FOR MODEL RISK MANAGEMENT

RBI, *vide* a draft guidance released on June 24, 2026 ("**Draft Guidance**"), has proposed a comprehensive principles-based framework for the management of risks arising from the use of models by regulated entities including banks, NBFCs, Payment Banks, All-India Financial Institutions, Asset Reconstruction Companies and Credit Information Companies ("**REs**") and is intended to strengthen governance and oversight of models used in business operations and decision-making. Further, the Draft Guidance also lays down specific principles governing models employing Artificial Intelligence ("**AI**") and Machine Learning ("**ML**").

The key proposals under the Draft Guidance are as follows:

- **Comprehensive Model Risk Management Framework**: REs are required to implement a Board-approved Model Risk Management Framework ("**MRMF**") applicable to all models, whether developed internally or sourced from third parties. The MRMF is expected to cover model governance, model risk tiering, inventory and documentation standards, validation, monitoring, change management and business continuity planning.

- **Risk-Based Model Governance:** The Draft Guidance requires REs to classify models based on their materiality and complexity and implement a risk-based model tiering structure. Models categorised as high-risk would be subject to enhanced oversight, including approval by the Risk Management Committee of the Board and periodic validation and monitoring.

- **Enhanced Requirements for Third-Party Models:** The Draft Guidance clarifies that REs remain accountable for the outcomes of third-party models notwithstanding any validation or assurance provided by the service provider. REs are also required to undertake due diligence on third-party model providers and ensure that contractual arrangements provide adequate access to technical documentation, audit rights and continuity arrangements.

- **Specific Principles for AI and ML Models:** Recognising the increasing use of AI and ML in financial services, the Draft Guidance introduces additional requirements for AI and ML models, including:

  - assessment of explainability and transparency of model outputs;
  - identification and mitigation of bias and discriminatory outcomes;
  - controls against hallucinations and adversarial attacks;
  - monitoring of data drift and concept drift;
  - implementation of red-teaming and equivalent testing for certain AI models; and
  - enhanced documentation and monitoring requirements for models with automatic or dynamic updates.

- **Human Oversight and Customer Protection:** The Draft Guidance requires REs to establish robust human oversight mechanisms for AI models, including human-in-the-loop and human-on-the-loop arrangements, override and kill-switch mechanisms and periodic review of model-driven decisions. Further, where customers interact with AI-enabled systems, REs must provide appropriate disclosures and warnings and offer customers the option to switch to human assistance.

DSK View: *The Draft Guidance marks the RBI's first comprehensive attempt to establish a principles-based framework for model risk management and the responsible deployment of AI and ML in financial services. The proposals indicate an increasing regulatory focus on explainability, accountability and human oversight of automated decision-making systems.*

Read more here

RESERVE BANK OF INDIA (PAYMENTS BANKS - RESPONSIBLE BUSINESS CONDUCT) SECOND AMENDMENT DIRECTIONS, 2026

RBI through the Reserve Bank of India (Payments Banks - Responsible Business Conduct) Second Amendment Directions, 2026 ("**Second Amendment Directions**") dated June 15, 2026, has notified a comprehensive conduct framework governing the advertisement, marketing and sale of financial products and services by Payments Banks ("**PBs**"). The framework, which will come into effect on January 1, 2027, applies to the distribution of both PB's own products and third-party financial products and services and seeks to strengthen customer protection standards in the sale and marketing of financial products through digital channels.

The Second Amendment Directions substantially adopt the framework proposed under the draft directions issued in February 2026, while introducing certain refinements relating to intermediary oversight, customer consent, digital interface governance and implementation timelines.

Key aspects of the notified framework include:

- PBs are now required to adopt a comprehensive policy governing the advertisement, marketing and sale of financial products and services, including policies relating to suitability and appropriateness assessments, customer feedback mechanisms and compensation for mis-selling.

- The framework introduces a broad definition of Direct Selling Agents ("**DSAs**") and Direct Marketing Agents ("**DMAs**"), irrespective of nomenclature, and extends the framework to DSA/DMA sub-agents. PBs are required to undertake due diligence, monitor intermediaries and publicly disclose details of empanelled DSAs/DMAs and their code of conduct on their websites.

- **Strengthened customer consent requirements:** Financial products and services may be offered only with the customer's explicit consent, which may be obtained through specified methods such as signed declarations, OTP-based approvals and digitally recorded confirmations. PBs are also required to retain consent records and ensure that digital interfaces do not rely on pre-selected consent options.

- **Restrictions on bundling and dark patterns:** The Second Amendment Directions prohibit compulsory bundling of third-party products with a PB's own products, subject to limited exceptions, and requires PBs and their intermediaries to ensure that digital interfaces are free from dark patterns and comply with the Central Consumer Protection Authority's Guidelines for

Prevention and Regulation of Dark Patterns, 2023. Notably, the RBI has also included an illustrative list of dark patterns relevant to PBs, including false urgency, basket sneaking, confirm shaming, forced action and drip pricing.

- **Mis-selling prevention and customer compensation:** PBs are prohibited from creating incentives for mis-selling and are required to establish an independent post-sale feedback mechanism. Where mis-selling is established, PBs are required to refund the entire amount paid by the customer and compensate the customer for any consequential loss in accordance with their approved policy.

DSK View: *The Second Amendment Directions significantly strengthen the conduct framework applicable to Payments Banks and reflect the RBI's increasing focus on consumer protection in digital financial services. The emphasis on explicit consent, intermediary accountability, dark pattern regulation and customer compensation indicates a clear shift towards ensuring that financial products are marketed and distributed in a fair, transparent and customer-centric manner.*

Read more here

RESERVE BANK OF INDIA (PAYMENTS BANKS – UNDERTAKING OF FINANCIAL SERVICES) AMENDMENT DIRECTIONS, 2026

The RBI on June 15, 2026, issued Reserve Bank of India (Payments Banks – Undertaking of Financial Services) Amendment Directions, 2026 ("**Amendment Directions**") revising the regulatory framework governing the manner in which payment banks offer third party financial products and services to their customers. The Amendment Directions modify the Reserve Bank of India (Payments Banks – Undertaking of Financial Services) Directions, 2025 ("**Master Directions**") and will come into effect on January 01, 2027.

The Amendment Directions introduce greater regulatory clarity by refining the definitions of the two principal channels through which Payments Banks may offer third-party financial products, namely:

- **"Agency Business"**, which refers to an arrangement where a bank acts as an agent of a Third-Party Product and Service Provider **("TPPSP")**, without assuming any financial risk, to facilitate the marketing, sale, promotion and post-sale servicing of the TPPSP's financial products and services.

- **"Referral Services",** which are now expressly limited to arrangements where a bank merely refers or directs its customers to a TPPSP and does not undertake distribution, post-sale support, grievance redressal or other continued customer interactions. This distinction clearly demarcates the extent of a Payments Bank's involvement in the distribution of third-party financial products.

The Amendment Directions also introduce the term "**Regulated Financial Product and Services**" which covers products falling within the regulatory ambit of the RBI, Securities and Exchange Board of India, Insurance Regulatory and Development Authority, Pension Fund Regulatory and Development Authority, and overseas regulators including International Financial Services Centres Authority, thereby clarifying the universe of products that Payments Banks may deal in through these arrangements.

The Amendment Directions also prescribe a revised framework for payments banks undertaking agency business and referral arrangements, including:

- Payment banks may only deal in third party product and services falling within the permitted categories under section 6(1) of the Banking Regulation Act, 1949 and may display only such products on their digital channels.

- Agency business must be undertaken on a fee basis without any risk participation, and this must be expressly disclosed to customers.

- Payments banks must ensure that TPPSPs maintain robust grievance redressal mechanisms.

- Under referral arrangements, the bank's role must remain purely referral in nature, and banks are prohibited from selling products under such arrangements.

- The name or brand of the bank cannot feature in the third-party product or service documents.

- Processes relating to third-party products or services cannot be integrated into the bank's platform, except through a redirection link to the TPPSP's platform.

- Payments banks are required to undertake appropriate due diligence on TPPSPs to mitigate reputational risks.

DSK View: *The amendment reflects a clear regulatory intent to draw firm boundaries around the intermediary role of banks in the distribution of financial products. By restricting referral arrangements to a pure lead-generation function and requiring full fee-based transparency in agency arrangements, the RBI appears to be addressing concerns around mis selling risk and regulatory arbitrage. Banks with existing third-party arrangements should review their current structures, platform integrations, and disclosure practices well ahead of the January 2027 effective date.*

Read more here

RBI RECOGNISES SAHAMATI FOUNDATION AS SELF-REGULATORY ORGANISATION FOR THE ACCOUNT AGGREGATOR ECOSYSTEM

The Reserve Bank of India ("**RBI**") had previously issued the Framework for Recognising Self-Regulatory Organisation(s) for the Account Aggregator Ecosystem ("**Framework**") and invited applications for recognition thereunder. The Framework sets out the characteristics, responsibilities, eligibility criteria, governance requirements, and allied matters pertaining to the Self-Regulatory Organisation for the Account Aggregator Ecosystem ("**SRO-AA**"). On 5 June 2026, upon examination of the application of Sahamati Foundation against the prescribed requirements under the Framework, the RBI recognised Sahamati Foundation as the SRO-AA.

DSK View: *The recognition of Sahamati Foundation as the SRO-AA marks a significant step in institutionalising governance within India's open finance ecosystem. An SRO acts as a liaison to the regulator and introduces a layer of accountability and self-regulation, enabling ecosystem participants including banks, NBFCs, and fintech platforms operating as Financial Information Users - to collectively uphold conduct standards.*

Read more here

GIFT CITY LAUNCHES SECOND COHORT OF FINTECH RESIDENTIAL PROGRAMME

Gujarat International Finance Tec-City ("**GIFT City**"), on June 10, 2026, announced the launch of the second cohort of its fintech residential programme, aimed at supporting early-stage startups building next generation solutions for India's evolving financial services landscape. The programme is being delivered through the GIFT International Fintech Innovation Hub ("**GIFT IFIH**"), which was established in January 2025 to support fintech startups through incubation, acceleration, and access to the broader financial ecosystem within India's International Financial Services Centre ("**IFSC**").

The six month programme is structured as three months of in person residency at GIFT City followed by three months of virtual support covering product development, market validation, and ecosystem engagement. The program focuses on the startups at the idea stage, pre-product stage, minimum viable stage, and early validation stage, with a focus on solutions in cross-border finance, security, risk and compliance, Web3 and blockchain infrastructure, and government technology and regulatory technology. This initiative by the GIFT City offers structured support to help founders scale their concepts by providing mentorship from industry experts and providing regulatory exposure. GIFT city aims to support 250 (Two Hundred Fifty) startups over the next 4 (Four) years. Applications are open from June 10 to July 5, 2026, for the second round.

Read more here

NPCI ISSUES CIRCULAR ON SAFEGUARDING USER INFORMATION IN UPI

The National Payments Corporation of India ("**NPCI**"), vide circular no. NPCI/UPI/OC-234/2026-27 dated June 5, 2026, addressing to all UPI Member Banks and UPI Apps, has issued directions on safeguarding user information in the Unified Payments Interface ("**UPI**") ecosystem. The circular notes that UPI Member Banks and UPI Apps providing customer interfaces for UPI are responsible under applicable laws to ensure user privacy.

Pursuant to the circular, sensitive user information specifically UPI IDs, mobile numbers, and account numbers must be masked across all customer-facing interfaces and communications of UPI Member Banks and UPI Apps. The prescribed masking format requires that only the last four digits of such identifiers remain visible. Additionally, UPI Apps are required to allow users to set non-mobile-number-based UPI IDs as their default UPI ID, in accordance with defined guidelines. All UPI Member Banks and UPI Apps are required to implement the necessary changes on customer-facing interfaces and communications by September 4, 2026.

Read more here

INTERNATIONAL FINANCIAL SERVICES CENTRES AUTHORITY ISSUES ADVISORY ON HEIGHTENED CYBER SECURITY RISKS ARISING FROM FRONTIER ARTIFICIAL INTELLIGENCE MODELS

The International Financial Services Centres Authority ("**IFSCA**") has issued an Advisory highlighting the cyber security risks posed by advanced Artificial Intelligence ("**AI**") models and their potential to accelerate sophisticated cyberattacks. The Advisory notes that frontier AI models can rapidly identify and exploit software vulnerabilities, significantly reducing the time between vulnerability disclosure and exploitation. Accordingly, RE operating in IFSCs have been advised to reassess their cyber security frameworks, strengthen vulnerability management processes and enhance monitoring capabilities. The Advisory also emphasizes stronger authentication measures, improved third-party risk management, protection of critical systems and the adoption of appropriate safeguards while using AI-assisted security tools. Further, RE has been encouraged to ensure adequate human oversight over AI-generated outputs and remediation measures. The Advisory supplements IFSCA's existing Cyber Security and Cyber Resilience Guidelines and comes into force with immediate effect.

KARNATAKA HIGH COURT ON THE VALIDITY OF CROSS-SUBSIDY SURCHARGE IN OPEN ACCESS REGULATIONS

The Hon'ble High Court of Karnataka (**High Court**), in its judgment dated 18.06.2026 in *Soham Infrastructure Private Limited v.* The *Karnataka Electricity Regulatory Commission & Ors.* (Writ Petition No. 15316 of 2025), addressed the following issues:

- Whether Regulation 12(c) and the proviso thereto contained in the Karnataka Electricity Regulatory Commission (Terms and Conditions for Open Access) Regulations, 2025 (**KERC Regulations 2025**) are *ultra vires* the Electricity Act, 2003 (**Electricity Act**), the Electricity Rules, 2005 (**Electricity Rules**), the National Tariff Policy and violative of Article 14 of the Constitution of India?

- Whether the consequential tariff order determining Cross-Subsidy Surcharge (**CSS**) on Open Access consumers is liable to be interfered with in exercise of writ jurisdiction under Articles 226 and 227 of the Constitution of India?

For context, Section 42(2) of the Electricity Act provides for the introduction of "Open Access" but makes it subject to the payment of a CSS to meet the requirements of the current level of cross-subsidy within the area of supply of the distribution licensee. Soham Infrastructure (**Petitioner**) challenged Regulation 12(c) of the KERC Regulations 2025, which prescribes the formula for calculating this CSS and includes a proviso linking the cap to 20% of the applicable tariff. In the tariff application, the CSS for Open Access consumers was determined to be ₹ 1.87 per unit and ₹ 0.47 per unit, respectively.

The dispute arose from conflicting interpretations on methodology for determining CSS and the 20% regulatory cap under Regulation 12(c). The Petitioner contended that the Commission's methodology was inconsistent with the Electricity Act, Electricity Rules and National Tariff Policy by failing to adhere to the statutory mandate for a "gradual reduction" of cross-subsidies. The Petitioner viewed the 20% cap as a fixed fiscal levy being mechanically applied at the maximum threshold. Further, the Petitioners alleged hostile discrimination, arguing that subjecting Open Access consumers to a surcharge nearly four times the actual cross-subsidy borne by direct ESCOM consumers. Conversely, the Respondents maintained that the cap was a necessary regulatory limit within a gradual reduction framework, essential for preserving the financial sustainability of distribution licensees who continue to bear universal service obligations and stranded costs.

Findings of the High Court

The Hon'ble High Court dismissed the writ petitions, holding that Regulation 12(c) and the proviso thereto are *intra vires* and traceable to the powers conferred by Sections 42, 61, 62, and 86 of the Electricity Act. The Hon'ble High Court held methodology adopted by the Commission is recognized under the National Tariff Policy.

Consequently, the methodology was held to be consistent with the mandate for progressive reduction. The Hon'ble High Court noted that methodology adopted under Regulation 12(c) substantially mirrors the principles approved by the Appellate Tribunal for Electricity (**APTEL**) in the case of *Tata Steel Limited v. Orissa Electricity Regulatory Commission (Appeal No.102 of 2010).*

Further, the Hon'ble High Court held that Open Access and ESCOM consumers are not a homogeneous class as the latter category consciously exits the conventional supply framework while continuing to derive benefit from the transmission and distribution ecosystem. Such migration deprives the distribution licensee of substantial revenue contribution. The distinction therefore bears a rational nexus to the object sought to be achieved. Thus, there is no violation of Article 14 of the Constitution of India.

Lastly, the Hon'ble High Court held that judicial review in tariff and regulatory matters is strictly limited as tariff fixation lies within the specialized domain of expert statutory bodies and interference is only permissible in cases of patent illegality and/or manifest arbitrariness, neither of which was established.

Significance of the Judgment

This judgment reinforces the regulatory autonomy of State Commissions to determine the financial terms of open access. By upholding the validity of Regulation 12(c), the Hon'ble High Court has provided legal certainty that the levy of a CSS is a valid exercise of statutory power. Further, the decision solidifies the National Tariff Policy as a guiding instrument for State Commissions. By validating the distinct legal classification between Open Access and ESCOM consumers, the Court has established that voluntary migration from the conventional supply framework provides a rational basis for differential surcharge treatment. Finally, the judgment sets a high threshold for judicial intervention and remains beyond the scope of writ jurisdiction absent patent illegality or manifest arbitrariness.

APTEL ON POST-BID CHANGES TO OPERATIONAL REQUIREMENTS IN BESS PROJECTS

The Appellate Tribunal for Electricity (**APTEL**), in its judgment dated 05.06.2026 in *Diwakar Renewable & Infra Pvt. Ltd. v. Maharashtra Electricity Regulatory Commission & Ors.* (Appeal No. Appeal No. 220 of 2026 & others) addressed the following issues:

- Whether the condition, allowed by the Ministry of Power (**MoP**) to Maharashtra State Electricity Distribution Company (**MSEDCL**), requiring the procurer to retain a contractual right to use a Battery Energy Storage System (**BESS**) for at least 6,300 cycles, contrary to the single cycle per day (approx. 5,475 cycles) specified in the Request for Selection (**RfS**), vitiated the bidding process?; and

- Whether the subsequent undertaking by MSEDCL to compensate the Appellants in case they are not provided Viability Gap Funding (**VGF**) support by the Government by India, is capable of curing the bidding deviation?

For context, the dispute involves a tender floated by the MSEDCL for the procurement of 2000 MW/4000 MWh BESS capacity with VGF support under Section 63 of the Electricity Act, 2003 (**Electricity Act**). The original RfS and its addenda stipulated a project configuration of 1 Cycle per day (equivalent to 5,475 cycles over 15 years). Post submission of financial bids, MoP issued a letter on 31.12.2025 concurring with the single-cycle deviation if MSEDCL retained the right to utilize 6,300 cycles without additional cost. MSEDCL approached the Maharashtra Electricity Regulatory Commission (**MERC**), which adopted the discovered tariff, ruling that the 6,300-cycle requirement was a mere "contractual right" and not a mandatory obligation for bidders.

The Appellants challenged the MERC order, arguing that the post-bid introduction of the 6,300-cycle requirement rendered their bids financially unviable and that failure to meet this new threshold could lead to the denial or refund of VGF support, which is essential for the project's economic feasibility.

APTEL's findings

APTEL set aside the MERC order and quashed the bidding process, holding that the introduction of the 6,300-cycle condition after the completion of bidding changes the substantial requirement under the RfS document which the bidders could not have factored at the time of submitting the bids. APTEL observed that the change in number of cycles post submission of bids was not only contrary to the terms and conditions of the RfS document as well as Battery Energy Storage Purchase Agreement (**BESPA**) but also prejudicial to the rights and interests of the Appellants; and that said condition having been communicated much after the submission of technical/commercial bids by the bidders, vitiates the entire bidding process. Further, with regards to the undertaking on behalf of MSEDCL, APTEL note that it lacked both Board of Directors' consent and regulatory approval, making the same enforceable.

Significance of the Judgment

This judgment reinforces the sanctity of the competitive bidding process under Section 63 of the Electricity Act, affirming that substantial technical or financial conditions cannot be altered once bids are submitted. By prioritizing the integrity of RfS conditions, APTEL has provided a safeguard for developers against "goal-post shifting" by government utilities. Furthermore, it highlights that VGF eligibility conditions are fundamental to project viability; any ambiguity or post-facto changes to these conditions can vitiate the entire discovery of a competitive tariff. The order also clarifies that informal undertakings by utility officials to cover financial subsidies cannot substitute for the formal mandatory regulatory conditions.

CERC ON INDEPENDENCE OF TRANSMISSION OBLIGATIONS FROM PPA TERMINATION

The Central Electricity Regulatory Commission (**CERC**), in its order dated 02.06.2026 in *ReNew Wind Energy (AP2) Pvt. Ltd. & Anr. v. Central Transmission Utility of India Limited & Ors.* (Petition No. 227/MP/2022), addressed the following issues:

- Whether a generating company(ies) is discharged from its obligations under a Transmission Arrangements [Transmission Service Agreement (**TSA**), Long-Term Access Agreements (**LTAAs**) and Bipartite Connection Agreement (**BCA**)] upon the termination or frustration of its Power Purchase Agreement (**PPA**) due to force majeure events?;
- Whether the liability to pay transmission charges arises from the date of operationalisation of Long-Term Access (**LTA**)? and
- Whether the Ministry of Power (**MoP**) orders providing for a waiver of inter-state transmission system (**ISTS**) charges for renewable projects apply to the period prior to the commissioning of the project?
- Whether the transmission charges for the period November 2019 to October 2020 are to be calculated as per the Central Electricity Regulatory Commission (Sharing of Inter-State Transmission Charges and Losses) Regulations, 2010 (**Sharing Regulations 2010**) and Central Electricity Regulatory Commission (Sharing of Inter-State Transmission Charges and Losses) Regulations, 2020 (**Sharing Regulations 2020**)?

For context, ReNew Wind Energy (AP2) and ReNew Power (**Petitioners**) were developing a 100 MW wind project in Gujarat under the Solar Energy Corporation of India Limited (**SECI**) Tranche-III bid (**Project**). They executed LTA Agreements with the Central Transmission Utility of India Limited (**CTUIL**) for the evacuation of power. However, the Project faced significant delays due to a change in the Government of Gujarat's land allotment policy and supply chain disruptions caused by COVID-19. Consequently, the Petitioners terminated their PPA with SECI on 06.02.2022 on grounds of impossibility of performance.

The dispute arose when CTUIL raised transmission charges for the period following the operationalisation of the LTA, the Petitioners challenged the bills, arguing that the TSA and PPA were interlinked and that the force majeure events frustrating the PPA also discharged their transmission obligations. While CTUIL insisted on the recovery of transmission charges from the respective dates of LTA operationalisation (01.05.2019 and 23.11.2019), the Petitioners contended that no charges were leviable because the project could not be commissioned due to factors beyond their control. They further claimed that MoP orders linking LTA commencement with revised scheduled commercial operation date (**SCOD**) effectively exempted them from payment during the force majeure period.

CERC's findings

The CERC dismissed the petition, holding that the Transmission Arrangement and the PPA are an independent set of agreements and termination or alleged frustration of the PPA does not automatically result in discharge of obligations under the TSA, LTAA or BCA. Further, CERC held that the transmission charges are liable to be paid from the respective dates of operationalisation of LTA as deferment of the start date of LTA is not provided either in the LTA Agreement or in any of the regulations.

Regarding MoP waivers and calculation of transmission charges, CERC relied on its order dated 23.05.2022 in Petition No. 525/MP/2020 and upheld that: (i) the waiver of transmission charges is applicable only to electricity generated for the purpose of sale and consequently, waiver benefits are applicable only after the COD of the generating station without any exemption from payment of charges; and (ii) Sharing Regulations 2010 and Sharing Regulations 2020 must apply sequentially to their respective periods, as the Sharing Regulations 2020 cannot be applied retrospectively.

Significance of the Order

This order reinforces the terms of a Transmission Agreement and a PPA are different and that, in itself, a force majeure event does not excuse the generator from any liability under the Tansmission Agreement. The order also upholds the precedent that the liability to pay for transmission charges will follow the operationalisation of LTA. Furthermore, it clarifies that ISTS waivers are not a relief for project delays but are contingent upon actual generation. Finally, the decision upholds the sanctity of the regulatory timeline, affirming that sequential application of Sharing Regulations prevents the retrospective shifting of financial liabilities.

CERC ON THE INDEPENDENCE OF TRADING OBLIGATIONS AND EQUITY IN TARIFF RECKONING

The Central Electricity Regulatory Commission (**CERC**), in its order dated 15.06.2026 in *TRN Energy Private Limited v. PTC India Limited & Ors.* (Petition No. 54/MP/2019), addressed the following issues:

- Whether the Petition is maintainable under Section 79(1)(b) read with Section 79(1)(f) of the Electricity Act, 2003 (**Electricity Act**), given the transaction involves the supply of power to distribution licensees through an inter-State trading licensee?;
- Whether the delay in operationalisation of the Long Term Access (**LTA**) and the non-availability of transmission facilities constitutes a force majeure event justifying the deferment of the Scheduled Delivery Date and the applicability of the first-year tariff from 17.05.2017?
- Whether there was a delay in releasing payment for monthly bills and whether the deduction of rebates by PTC on advance or part payments was in accordance with the Power Purchase Agreement (**PPA**)?

- Whether PTC was obligated to establish a Payment Security Mechanism (**PSM**) independently of the procurers? Whether the failure to do so warrants a reduction in trading margin under the Central Electricity Regulatory Commission (Procedure, Terms and Conditions for grant of trading licence and other related matters) Regulations, 2020 (**2020 Trading Licence Regulations**)?
- Whether there is delay in the reimbursement of POC/ transmission charges and for such period, can TRN be entitled to have affected capacity treated as "deemed available"? Whether the deduction of TDS on such reimbursements was wrongful?

For context, TRN Energy (**Petitioner**) developed a 600 MW coal-based thermal power project in Chhattisgarh (**Project**) and entered into a back-to-back PPA with PTC India (**PTC**) for the sale of 390 MW to Uttar Pradesh Discoms (**UPPCL**). While the Scheduled Delivery Date (**SDD**) was 30.10.2016, the Petitioner only commenced partial supply (150 MW) on 02.12.2016 after the partial operationalisation of LTA. The full contracted capacity was achieved only on 17.05.2017, following the delayed commissioning of the Petitioner's Units resulting in a 28-month time over-run.

The dispute arose when the Petitioner sought to defer the "Delivery Date" to 17.05.2017, arguing that the delay in evacuating full capacity was a force majeure event caused by the non-availability of transmission facilities. Furthermore, on part of PTC, it failed to establish a Letter of Credit (**LC**) for over 34 months, deducted rebates on overdue part-payments, and failed to reimburse transmission charges. This non-reimbursement led Power Grid Corporation of India Limited (**PGCIL**) to issue regulation notices in late 2018 and consequently, the substantial outstanding dues prompted PGCIL to curtail the Petitioner's power supply to 290 MW.

The Petitioner claimed damages for PTC's failure to establish a Letter of Credit (**LC**) and sought capacity charges for periods when its power was "regulated" by PGCIL due to unpaid transmission dues, contending it should not be penalized for procurer-side payment defaults.

CERC's findings

CERC dismissed the majority of the Petitioner's claims and providing the manifold findings, detailed as below.

On Maintainability, the CERC held that it has the power to regulate the tariff of the generating station of the Petitioner, to adjudicate the disputes between the Petitioner and UPPCL/ UP Discoms and to deal with issues regarding transactions involving the supply of power by a generating company to the distribution licensees under Section 79(1)(b) read with Section 79(1)(f) of the Electricity Act.
On Delivery Date for LTA delay and tariff, CERC held that non-availability of the transmission system constitutes a *force majeure* event as per the PPA and the Petitioner will be eligible for revised SDD and Expiry Date, only if the Petitioner is ready with its generation to commence supply of power to the UP Discoms through PTC. Since in the present case, Petitioner did not have the capacity to supply 390 MW on the SDD due to its own 28-month delay in commissioning of Unit 2, CERC refused to approve the Delivery Date as 17.05.2017. CERC held that date of supply of ACC (17.05.2017) cannot be as Delivery Date as such an interpretation would amount to deferring the SDD till it is ready with ACC, which could be more than one year in certain cases, and consequently extending the first-year tariff for longer periods, which could not be the intention of the PPAs.

On Rebates and Payments, CERC analyzed various emails and found the Petitioner willingly requested that PTC deduct the applicable rebate from the payments it made to the Petitioner to meet its requirements. It clarified that the rebates on part payments was in accordance with the PPA.
On PSM and Trading Margin, CERC held that PTC was obligated to open and maintain LC as PSM in favour of Petitioner without reciprocal action on part of the Respondent DISCOMs. However, CERC denied the Petitioner's claim for a reduced trading margin (2 paise/kWh) due to non-provision of PSM, as the 2020 Trading License Regulations were not applicable to the period prior to 02.01.2020.

On POC/ transmission charges and TDS, CERC held that the primary responsibility for paying the PoC/transmission charges to PGCIL, rests with the Petitioner. By not paying the PoC/transmission charges to CTUIL on time and not maintaining the PSM, the Petitioner has failed to fulfil its obligations under the PPA, leading to the regulation of power by CTUIL. Since the curtailment was a result of the Petitioner's own default in payment and failure to maintain security, the affected capacity cannot be treated as "deemed available". Thus, CERC rejected the Petitioner's claim for recovery of unrecovered capacity charges and the carrying cost for the period of such regulation, and also upheld deduction of TDS by PTC.

Significance of the Order

This order provides important clarity on the rights and obligations of generators, trading licensees and procurers of electricity regarding the applicability of tariffs, security of payments and reimbursement of transmission costs in the context of back-to-back PPAs. This order reinforces the sanctity of contract timelines in competitive bidding, preventing generating company(ies) from leveraging their own implementation failures to reset financial benchmarks. By upholding the independent liability of trading licensees, this order has affirmed that a trader's obligation to provide payment security is a mandatory requirement that cannot be made contingent upon the performance of the ultimate

procurer. Finally, the order provides critical clarity on risk allocation for transmission defaults, confirming that developers who fail to manage their transmission dues cannot seek "deemed availability" relief, thereby protecting the financial and operational integrity of the inter-state transmission system.

CERC ON TARIFF DETERMINATION FOR STATIONS NEARING DECOMMISSIONING

The Central Electricity Regulatory Commission (**CERC**), in its order dated 27.06.2026 in *NTPC Limited v. Uttar Pradesh Power Corporation Limited* (Petition No. 702/GT/2025), addressed the following issues:

- Whether the tariff for the Tanda Thermal Power Station Stage-I (440 MW) (**Tanda station**) should be determined for the full 2024-29 period or only up to the date of its decommissioning?

For context, the Tanda station completed its "useful life" on 13.01.2025. NTPC Limited (**Petitioner**) requested the sole beneficiary, Uttar Pradesh Power Corporation Limited (**UPPCL**), to consider an extension of PPA and provide consent for proposed additional capitalization required for sustained operation. However, UPPCL declined the request of the Petitioner. Consequently, the Petitioner sought tariff determination only up to 2024-25.

CERC's findings

Considering that the PPA has expired in 2024-25 and the same was not extended by the UPPCL, CERC held that that tariff will be determined only for year 2024-25 (1.4.2024 till 13.1.2025) based on the admitted capital cost and other applicable provisions of the Central Electricity Regulatory Commission (Terms and Conditions of Tariff) Regulations, 2024 (**Tariff Regulations 2024**).

Significance of the Judgment

This order provides a regulatory roadmap for generators nearing decommissioning, emphasizing that tariff determination is strictly linked to the subsistence of a PPA and the plant's useful life.

THE INDIA-OMAN COMPREHENSIVE ECONOMIC PARTNERSHIP AGREEMENT

INTRODUCTION

The India-Oman Comprehensive Economic Partnership Agreement (CEPA) was signed on 18 December 2025 and entered into force on 1 June 2026. It is India's second CEPA with a Gulf nation, after the UAE, and Oman's first bilateral trade agreement since its Free Trade Agreement (FTA) with the United States in 2006. The agreement covers trade in goods and services, investment, professional mobility, and regulatory cooperation. Its significance, however, extends beyond these standard features, shaped in large part by Oman's geography and the conditions under which the agreement came into force.

TRADE IN GOODS: THE IMMEDIATE GAINS

The goods provisions are where the agreement's immediate commercial value is most apparent. Under the CEPA, India secures 100% duty-free market access on 98.08% of Oman's tariff lines, covering 99.38% of India's total export value to Oman, effective from the first day the agreement entered into force. To appreciate how significant this is, it helps to know where things stood before: only 15.33% of India's export value had previously entered Oman at zero duty under the Most Favoured Nation (MFN) regime. The CEPA therefore effectively transforms the conditions of entry and market access for Indian goods.

India's own liberalisation offer is more measured. Tariff concessions are extended on 77.79% of India's tariff lines, covering 94.81% of imports from Oman by value. A comprehensive exclusion list fully exempts sensitive domestic sectors including dairy, cereals, oilseeds, edible oils, leather, rubber, and petroleum products from any tariff reduction obligation. Certain processed food items are subject to phased tariff reductions staged over five to ten years, with specific staging categories set out in the agreement's tariff schedules. The balance between opening the market and protecting domestic producers is a defining feature of the agreement, and India has drawn that line with care.

The gains from CEPA run across a wide range of Indian industries: engineering goods, pharmaceuticals, textiles, marine products, chemicals, plastics, electronics, and gems and jewellery. It is worth noting that many of India's most competitive exporters in these categories are micro, small, and medium enterprises (MSMEs). Eliminating Oman's tariffs, which ran to around 5% across several categories, strengthens the competitiveness of Indian suppliers with respect to suppliers from China, Turkey, and Bangladesh, all of whom previously faced identical MFN duties vis-à-vis India.

Additionally, the CEPA deliver special gains for the Indian Pharmaceutical sector. The benefit here is not only in tariff elimination but in regulatory facilitation: products already approved by the USFDA, EMA, or UK MHRA are eligible for fast-tracked 90-day marketing authorizations in Oman. The reduction in compliance costs and time-to-market is substantial. Significantly, the agreement contains the first-ever commitment by any country in an FTA context on traditional medicine, opening doors for India's AYUSH and wellness sectors in the Gulf.

With the CEPA already in force, the first shipment by the jewellery sector has already been initiated. The first gold jewellery shipment from Kolkata under CEPA was dispatched within days of the agreement entering into force. Industry estimates suggest that gems and jewellery exports to Oman, currently valued at around USD 35 million, could reach USD 150 million within three years. These trends reflect concrete commercial interest that was waiting for the preferential framework to be put in place.

SERVICES, INVESTMENT, AND PROFESSIONAL MOBILITY

Beyond goods, the Agreement's services and investment provisions break new ground. Oman has committed to opening 127 services sub-sectors at levels that exceed its existing GATS commitments, covering professional services, information technology, education, health, tourism, audio-visual services, and research and development. The Intra-Corporate Transferee ceiling has been raised from 20% to 50%, enabling Indian companies to deploy more managerial and specialist staff into Oman.

Most significantly, for the first time in any of India's FTAs, a partner country has committed to defined mobility pathways for specific professional categories including accountants, engineers, medical professionals, and IT specialists. The agreement also permits 100% FDI by Indian companies in major services sectors. There is also an obligation on both parties to negotiate and conclude a Social Security Agreement within two years of entry into force, aimed at preventing dual social security contributions by Indian workers posted in Oman.

India already holds a services trade surplus of USD 447 million with Oman, yet accounts for only 5.31% of Oman's global services imports. The enhanced market access commitments described above are designed to close that gap by removing the regulatory and mobility barriers that have historically constrained Indian services providers from scaling their presence in Oman.

REGULATORY ARCHITECTURE

The agreement's regulatory provisions address problems that tariff negotiations often leave untouched. Dedicated chapters on Technical Barriers to Trade (TBT) and Sanitary and Phytosanitary (SPS) measures establish a framework for mutual recognition of standards and structured consultation between the two sides. Certificates issued by India's Export Inspection Council are mandatorily accepted by Oman, eliminating redundant port-of-arrival testing. India's halal certification systems and its National Programme for Organic Production (NPOP) are formally recognised, avoiding duplication for food and agricultural exporters. Though these measures may be less reported than tariff concessions, it is such non-tariff barriers that frequently determine whether preferential access translates into actual trade flows.

THE STRATEGIC DIMENSION

The CEPA's strategic significance cannot be separated from a set of events that unfolded while the agreement was being negotiated. India's trade with the Gulf region was severely disrupted by the Strait of Hormuz crisis beginning in March 2026. Imports from the Gulf dropped from approximately USD 15 billion in April 2025 to USD 9.8 billion in April 2026; Indian exports to the region fell from USD 4.4 billion to USD 2.7 billion over the same period. Energy supplies, industrial inputs, and regional trade routes were all affected.

Oman was a notable exception. Imports from Oman surged from USD 430 million in April 2025 to nearly USD 1.5 billion in April 2026, a rise of 246% driven by increased purchases of crude oil and urea in the wake of supply shortages. This was attributable to Oman's unique geography: unlike other Gulf states, much of Oman's coastline sits outside the Strait of Hormuz. Its ports at Sohar, Salalah and Duqm remain accessible even when Hormuz traffic is disrupted, providing India with continued corridor access throughout the crisis.

This experience reframes what the CEPA represents. Aside from being a market of five million consumers, Oman is also a logistics and energy corridor that Indian trade can rely upon when other Gulf routes are compromised. The Duqm Special Economic Zone, which already offers 100% foreign ownership, tax holidays of up to 25 years, and single-window licensing, further positions Oman as a hub for Indian industrial investment oriented toward regional and global supply chains.

THE GATEWAY QUESTION

There is a broader geometry to the CEPA that merits attention. Oman is the only Gulf economy that holds both an FTA with the United States, in force since 2006, and now a CEPA with India. A product that qualifies as "Made in Oman" under the Agreement's rules of origin — which apply value-addition thresholds and change in tariff classification criteria as set out in the product-specific rules annexed to the agreement — can reach both the Indian and American markets on preferential terms from the same production line.

The commercial viability of the gateway strategy described below depends substantially on whether products can satisfy these origin requirements. Layered with Oman's Gulf Cooperation Council (GCC) membership and India's ongoing FTA negotiations with the GCC bloc, the picture becomes strategically significant: Oman functions as a junction connecting India to the GCC's 60 million consumers, East African markets, and the United States, on terms that are unavailable from the Indian domestic market alone.

Oman's existing infrastructure and its location on the Arabian Sea make it a credible trans-shipment and re-export hub. The agreement enables Indian MSMEs to use Oman's Special Economic Zones and free zones as manufacturing, processing, and assembly bases. Indian goods can be shipped to Oman, processed or packaged locally, and re-exported into East Africa and the broader GCC market under Oman's existing regional trade networks.

DSK's View: *The India-Oman CEPA is a well-constructed agreement that delivers gains across goods, services,*

investment, and regulatory cooperation. Its tariff provisions offer immediate and substantial commercial benefits across a wide range of Indian export sectors. Its services and investment chapters extend India's footprint in the Gulf in ways that previous trade arrangements did not. Its regulatory provisions, though less discussed, address the non-tariff barriers that often matter most in practice. What makes the agreement significant is its timing and its institutional architecture. The Strait of Hormuz crisis demonstrated that India requires diversified trade corridors to the Gulf, and the CEPA provides the legal framework to anchor Oman's role as that alternative corridor on a durable basis. The agreement's joint committee and review mechanisms will be critical in ensuring that the preferential framework adapts to evolving trade patterns. At a moment of considerable global trade volatility, the CEPA represents not merely a market access instrument but a strategic infrastructure agreement — one whose value will be measured as much by its resilience provisions as by its tariff schedules.

MEDIA & ENTERTAINMENT

BOMBAY HIGH COURT HOLDS THAT PREITY ZINTA CAN MAINTAIN PROCEEDINGS AGAINST UNAUTHORISED AI-GENERATED CONTENT REPLICATING HER LIKENESS

The Bombay High Court ("Court") has recognised that actress Preity Zinta is entitled to institute legal proceedings against the unauthorised creation and dissemination of AI-generated content that reproduces or exploits her likeness, image, voice, identity, or other distinctive aspects of her persona without her consent. Acknowledging the growing challenges posed by artificial intelligence and deepfake technology, the Court observed that synthetic media, whether in the form of images, videos, or other digitally manipulated content, is capable of infringing an individual's personality and publicity rights when it misappropriates their identity for commercial or other unauthorised purposes. The Court further recognised that AI-generated content has the potential to deceive the public, create false associations or endorsements, and cause reputational as well as commercial harm to public figures. Accordingly, it affirmed that celebrities are entitled to seek appropriate legal remedies to restrain the creation, publication, circulation, or exploitation of such unauthorised AI-generated material, reinforcing that technological advancements cannot be used as a shield to violate established personality and publicity rights.

PHONOGRAPHIC PERFORMANCE LIMITED (PPL INDIA) IS RE-REGISTERED AS A COPYRIGHT SOCIETY UNDER THE COPYRIGHT ACT, 1957

The Central Government has re-registered Phonographic Performance Limited ("PPL India") as a copyright society under the Copyright Act, 1957, restoring its statutory authority to administer and license the public performance and communication to the public of sound recordings on behalf of its member record labels. Pursuant to its re-registration, PPL India is once again authorised to issue licences, collect licence fees and royalties, and administer the rights entrusted to it by its members in accordance with the provisions of the Copyright Act and the Copyright Rules, 2013. PPL India had previously operated as a registered copyright society until its registration lapsed in 2014, following which it continued licensing sound recordings as an authorised licensing entity rather than as a copyright society.

THE MAKERS OF THE FILM 'THE INDIA STORY' RECEIVE LEGAL NOTICE OVER ALLEGEDLY DEFAMATORY CLAIMS CONCERNING INDIAN AGRICULTURE

The makers of the upcoming film *The India Story* ("Film") have received a pre-release legal notice alleging that certain scenes and dialogues in the Film portray Indian agriculture and agricultural produce in a false, misleading, and defamatory manner. The notice specifically objects to references describing agricultural produce as "slow poison" and contends that such depictions are factually inaccurate, unsubstantiated, and likely to create unwarranted fear and misinformation among the public. The legal notice calls upon the producers to suitably modify or remove the impugned content before the Film's release, asserting that the disputed portrayal has the potential to undermine public confidence in India's agricultural sector, damage the reputation of farmers and other stakeholders, and adversely affect the country's agricultural economy. The dispute highlights the increasing legal scrutiny surrounding the portrayal of sensitive social and economic issues in films and underscores the potential for pre-release challenges based on allegations of defamation, misinformation, and harm to the interests of particular communities or industries.

KERALA HIGH COURT DECLINES TO ENTERTAIN A PLEA SEEKING A TITLE CHANGE FOR 'THE KERALA STORY 2: GOES BEYOND', AND SEPARATELY CALLS FOR A RESPONSE ON ITS CONTINUED OTT AVAILABILITY

The Kerala High Court ("Court") continues to hear multiple proceedings concerning The Kerala Story 2: Goes Beyond ("Film"), with both the Film's title and its continued availability on OTT platforms remaining under judicial

scrutiny. In one matter, a bench headed by the Chief Justice refused to hear a public interest litigation seeking a change in the Film's title. This was due to the fact that related proceedings were already pending before coordinate benches of the Court. During the hearing, the Bench also expressed concern over remarks in the petition that appeared critical of an earlier order permitting the Film's release. After counsel for the petitioners tendered an unconditional apology, the Court disposed of the proceedings while permitting a fresh petition to be filed after removing the objectionable averments. Separately, in another petition concerning the Film's availability on Zee5, notice has been issued to the producers seeking their response.

A MUMBAI CIVIL COURT DECLINES TO STALL THE OTT RELEASE OF "DHURANDHAR: THE REVENGE" OVER A WRITER'S COPYRIGHT CLAIM

A Mumbai City Civil Court ("Court") has declined to interfere with the OTT release of Dhurandhar: The Revenge ("Film"), refusing interim relief in a copyright action brought by a writer against the director and others ("Defendants"). The Court was not satisfied that the material placed before it demonstrated a prima facie case of copying. It observed that that the plaintiff had produced no meaningful comparison between the two allegedly similar works. It also considered the plaintiff's delay in approaching the Court, the omission to disclose earlier proceedings before the Karnataka High Court, and the failure to implead the OTT platform whose release was sought to be restrained. Having found that the balance of convenience favoured the Defendants and that any proven loss could be compensated through damages, the Court permitted the Film's OTT release. The issue of copyright remains open pending subsequent adjudication.

THE DELHI HIGH COURT REFERS THE ZEE AND LIBAS DISPUTE OVER UNLICENSED USE OF INSTAGRAM MUSIC TO MEDIATION, HOLDING THAT INSTAGRAM'S MUSIC LIBRARY CANNOT PRIMA FACIE BE USED FOR COMMERCIAL ENDS

A dispute over the commercial use of music on Instagram has resulted in copyright proceedings before the Delhi High Court ("Court") between Zee and apparel brand Libas. Zee alleges that Libas incorporated songs from its catalogue into promotional reels without obtaining required licenses. It contends that the availability of its music on Instagram's in-app library does not confer the right to use it for commercial purposes. According to Zee, its arrangement with Meta permits access to the catalogue only for personal, non-commercial purposes and does not authorise promotional exploitation by businesses. At the interim stage, the Court accepted that Zee had raised a prima facie case, observing that Instagram's framework does not automatically extend commercial usage rights to users. Libas took down the impugned posts and provided an undertaking not to use the music pending further orders. The dispute has been referred to mediation.

SALMAN KHAN CHALLENGES FILM "KALA HIRAN" OVER ALLEGED MISUSE OF HIS PERSONALITY RIGHTS

Salman Khan has issued a legal notice to the makers of Kala Hiran: The Battle for Legacy ("Film"), alleging that the proposed film unlawfully exploits his personality rights and associates him with the 1998 black buck poaching case. Following the continued release of promotional material, Khan approached the Delhi High Court ("Court") by way of an interim application in his pending commercial suit seeking to restrain the Film's operations pending adjudication. He contends that the Film and its publicity material identify him through references to the black buck case and other distinguishing features associated with him, and that such use is defamatory and capable of prejudicing pending proceedings. The Court has issued notice on the application and sought a response.

THE BOMBAY HIGH COURT REFUSES TO STAY THE RELEASE OF "HAI JAWANI TOH ISHQ HONA HAI" DESPITE A PENDING SONG-COPYRIGHT DISPUTE

The Bombay High Court ("Court") has declined to grant interim relief sought by Puja Entertainment ("Plaintiff") in its copyright infringement suit seeking to restrain the release of the film *Hai Jawani Toh Ishq Hona Hai* ("Film"). The suit alleges that the Film incorporates certain songs and musical works in which the Plaintiff claims copyright, without obtaining the requisite authorisation. In addition to seeking an injunction against the Film's release, the Palintiff has also claimed damages of INR 400 crore against Tips Industries Limited and the other defendants ("Defendants") for the alleged infringement. While refusing to stay the Film's release, the Court took into consideration, inter alia, the Plaintiff's delay in approaching the Court, the fact that substantially similar relief had already been sought before the Patna High Court, and the Defendants' contention that the institution of parallel proceedings before the Court amounted to forum shopping. Without expressing any opinion on the merits of the underlying copyright claims, the Court held that the Plaintiff had failed to establish a case warranting the grant of interim injunctive relief at that stage. The substantive issues relating to ownership, infringement, and the alleged unauthorised use of the disputed songs will be adjudicated in the pending proceedings.

THE MINISTRY OF INFORMATION AND BROADCASTING PUBLISHES DRAFT TELECOMMUNICATIONS RULES CONSOLIDATING THE REGULATORY FRAMEWORK FOR TELEVISION AND RADIO

The Ministry of Information and Broadcasting (MIB) has issued the draft Telecommunications (Television, Radio and Associated Services) Rules, 2026 ("Draft Rules") under the Telecommunications Act, 2023 ("Act") for consultation. The

Draft Rules along with the Act seek to replace the existing patchwork of regulatory instruments governing television and radio broadcasting by introducing a unified framework applicable to satellite television, DTH services, HITS systems, private FM radio, community radio and IPTV. According to MIB, the Draft Rules are intended to streamline the regulatory framework for the broadcasting sector while facilitating ease of doing business. Comments from stakeholders and the public may be submitted until 27 July 2026.

THE DELHI HIGH COURT PROTECTS ACHARYA MANISH AGAINST AI-GENERATED FAKE PRODUCT ENDORSEMENTS

The Delhi High Court ("Court") has granted ad-interim protection in favour of Manish Grover, popularly known as Acharya Manish ("Plaintiff"), in proceedings concerning AI-generated promotional content falsely depicting him as endorsing health products. The suit alleges that unidentified persons altered authentic recordings of the Plaintiff by using voice cloning and other artificial intelligence too before disseminating the manipulated material on social media without his consent. In considering the application, the Court accepted that the Plaintiff's identity, including his name, likeness and voice, was capable of protection through personality and publicity rights. While doing so it took into account his reputation in Ayurveda. Meta was directed to disable access to the identified material and authorised the Plaintiffs to seek similar relief in respect of any additional infringing content identified during the proceedings.

BENGALURU CIVIL COURT DIRECTS SOCIAL MEDIA PLATFORMS TO BLOCK ALLEGEDLY DEFAMATORY CONTENT AGAINST PAWAN KALYAN

The Additional City Civil and Sessions Court, Bengaluru ("Court") has directed X, Google and Meta to block allegedly defamatory content concerning Andhra Pradesh Deputy Chief Minister and actor Pawan Kalyan ("Plaintiff") pending adjudication of a civil suit instituted by him. The proceedings arise from allegations circulated online in relation to the alleged encroachment of public land and water bodies. While modifying an earlier ad interim injunction, the Court extended its directions to specify URLs and online content identified by the Plaintiff, observing that such modification was necessary to ensure the effective implementation of its earlier order. The Court accordingly restrained the publication, republication, broadcasting, transmission, hosting, uploading and display of the impugned content through the identified links, and directed the platforms to block access to defamatory material relating to the Plaintiff until the next date of hearing.

MORE THAN 100 AUTHORS SUE ANTHROPIC IN THE UNITED STATES OVER ALLEGED USE OF PIRATED BOOKS TO TRAIN ITS AI MODELS

A group of over 100 authors ("Plaintiffs") has filed a fresh copyright suit against Anthropic PBC before the United States District Court for the Northern District of California, alleging that the company unlawfully downloaded and used pirated digital copies of their books to train its large language models without obtaining the requisite licenses or authorization from the copyright owners. The Plaintiffs contend that Anthropic's acquisition, reproduction, and use of their copyrighted literary works for AI training constitutes willful copyright infringement and seek statutory damages, injunctive relief, and other appropriate remedies.

MINISTRY OF CORPORATE AFFAIRS ("MCA")

COMPANIES (REGISTERED VALUERS AND VALUATION) AMENDMENT RULES, 2026

- Notified via G.S.R. 432(E) dated 1 June 2026, amending the Companies (Registered Valuers and Valuation) Rules, 2017.
- Substitutes Rule 12(1)(i), which prescribes eligibility criteria for a Registered Valuer Organisation (RVO).
- An entity seeking RVO recognition must now be registered as a company under Section 25 of the Companies Act, 1956, or Section 8 of the Companies Act, 2013, and must:
  - Maintain a minimum paid-up share capital of ₹25,00,000;
  - Have the sole object of dealing with matters relating to regulation of valuers of one or more asset classes.
- Existing RVOs that don't yet meet the capital threshold reportedly get transition time until around March 2028, to comply.

EXTENSION OF FORM DPT-3 FILING DUE DATE

The MCA issued General Circular No. 02/2026 dated June 19, 2026, providing relief to companies required to file Form DPT-3 (Return of Deposits) for FY 2025–26.

Key Points

- Original due date: 30 June 2026
- Additional fees waived for filings made up to 31 July 2026
- Relief granted because of restoration and capacity enhancement activities following a fire incident at the MCA Data Centre on 5 June 2026, which affected portal operations.
- The circular did not extend the statutory filing requirement itself; it only waived additional fees during the extended period.

Impact

- Companies received one month of additional time without incurring late filing fees.
- Compliance professionals were advised to complete filings well before 31 July to avoid congestion on the MCA portal.

CORPORATE LAWS (AMENDMENT) BILL, 2026

- Introduced in the Lok Sabha and referred to a Joint Parliamentary Committee (JPC) — 21 members from Lok Sabha and 10 members from Rajya Sabha, for detailed examination.
- Proposes amendments to both the Companies Act, 2013 and the LLP Act, 2008, covering:
  - IFSC-related reforms and enhanced financial flexibility;
  - Overhaul of NFRA's structure/functioning;
  - Increase in the "small company" threshold;
  - Greater AGM flexibility;
  - Liberalisation of share buy-back norms;
  - Streamlined valuation regulation;
  - Decriminalisation of minor procedural defaults — shifting them from criminal offences to civil violations adjudicated via an In-House Adjudication Mechanism (IAM);
  - Trust-to-LLP conversion mechanisms.
- This Bill remained under JPC consideration through June.

CORPORATE MITRA SCHEME ANNOUNCED

The MCA launched the Corporate Mitra Scheme, an initiative announced in the Union Budget 2026–27, by signing a memorandum of understanding (MoU) with Indian Institute of Technology Madras to develop and deliver the programme.

Objectives

- Create a cadre of trained para-professionals.
- Assist MSMEs in:
  - Corporate compliance
  - Regulatory filings
  - Business governance
  - Ease of doing business.

The programme aims to strengthen compliance support for smaller businesses while improving the overall corporate governance ecosystem

RESTRUCTURING & INSOLVENCY

IBBI (INSOLVENCY RESOLUTION PROCESS FOR CORPORATE PERSONS) (THIRD AMENDMENT) REGULATIONS, 2026

On June 01, 2026, the Insolvency and Bankruptcy Board of India ("**IBBI**") notified various amendments to the existing regulations in view of the notification of the provisions introduced under the Insolvency and Bankruptcy Code (Amendment) Act, 2026 ("**2026 Amendment Act**"). The amended regulations have come into effect on June 02, 2026.

The amended regulations, *inter-alia*, address two of the main issues which affected the Corporate Insolvency Resolution Process ("**CIRP**") i.e., disputes over the claim verification and the lack of coordination when a corporate debtor and its guarantor simultaneously undergo insolvency proceedings at the same time.

The resolution professionals can now formally request for additional documents from the creditors during claim verification and must communicate their acceptance or rejection with written reasons and within 7 (seven) from such admission or rejection of claims.

Further, to give effect to the new Section 28A of the Insolvency and Bankruptcy Code, 2016 ("**IBC**" or "**Code**") which deals with the transfer of the assets of the guarantor during CIRP of the corporate debtor, a dedicated framework has been introduced by way of insertion of Regulation 28A and Regulation 28B which provides that for any transfer to take place, the proposal put forth before the committee of creditors of the corporate debtor shall contain the detailed description of such asset, estimated realisable value of the asset and consent or proof of approval of the meeting of creditors of such guarantor approving the transfer of such asset.

Further, Regulation 28B provides coordination between the resolution professional of the corporate guarantor and the resolution professional of the corporate debtor (for whom the corporate guarantee has been furnished with in relation to the debt) to ensure there is proper facilitation of transfer of the assets and the resolution professional of the corporate guarantor the details of the transfer shall be disclosed in the information memorandum.

The amended regulations, by way of insertion of Regulation 40D, now provides for initiation of dissolution of a corporate debtor during CIRP where assets are plainly insufficient and the assets are not capable of being effectively realised in the ordinary course of liquidation. Further, the amended regulations, now require the applicants under Section 9 and Section 10 to disclose additional documents and information compared to the earlier requirements.

DSK Views: *The amended regulations address the core challenges that are faced during CIRP such as uncertain claim outcomes, unexplained rejections, and various issues that arise when guarantor and corporate debtor proceedings run in parallel. The guarantor coordination framework i.e., insertion of Regulation 28A and Regulation 28B, together with the Amendment Act, 2026, introduces a change that was long overdue to achieve the broader objectives of the Code i.e., value maximisation.*

IBBI (LIQUIDATION PROCESS) (FOURTH AMENDMENT) REGULATIONS, 2026

The amended regulations fundamentally reshape how the liquidation process is initiated and administered. The automatic conversion of the resolution professional appointed during CIRP as liquidator has been removed.

The committee of creditor now plays an active role in recommending a liquidator from IBBI's panel even before the liquidation order is passed. The committee of creditors also are empowered to replace replace a liquidator at any stage, operationalising the new section 34A of the IBC as

notified under the Amendment Act, 2026. Further the claims verified during CIRP generally carry forward into liquidation process, significantly reducing duplication and administrative cost.

Further, the Liquidator is empowered to call upon the members of the committee of creditors to contribute to the liquidation costs where the liquid assets of the corporate debtor fall short of liquidation costs. A tighter timeline now applies to all the liquidations commenced after this amendment as the liquidation process shall be completed within 180 (one hundred eighty) days.

To give effect to Section 28A of the IBC, 2016 which deals with the transfer of the assets of the guarantor, the amended regulations, by way of insertion Regulation 8A, empowers the liquidator of the corporate debtor which has given the corporate guarantor to coordinate with the resolution professional of the corporate debtor in relation to such transfer and obtain the approval of the creditors before initiating such transfer.

DSK View: *The amended regulations addresses the delays and inefficiencies that have undermined value realisation during liquidation. Creditors have historically had limited ability to intervene once a liquidator was appointed, even when performance was not up to the standards and the power to now to replace a liquidator during the liquidation process ensures greater accountability on part of the liquidator and greater oversight for the creditors.*

IBBI (VOLUNTARY LIQUIDATION PROCESS) (SECOND AMENDMENT) REGULATIONS, 2026

Prior to the amended regulations, once a voluntary liquidation process was initiated, there was no provision to withdraw from the process — even when all parties agreed that it was the right thing to do. This issue has now been formally addressed as the stakeholders can terminate voluntary liquidation before the dissolution order is passed, subject to obtaining a special resolution and two-thirds (> 66%) creditor approval by value. This amendment is in line with the provisions introduced under the IBC (Amendment) Act, 2026.

DSK View: *The introduction of a formal exit mechanism for voluntary liquidation is a welcome and practical change as the stakeholders previously found themselves trapped when they no longer wanted to pursue, with no other statutory remedy in sight.*

IBBI (INSOLVENCY RESOLUTION PROCESS FOR PERSONAL GUARANTORS TO CORPORATE DEBTORS) (AMENDMENT) REGULATIONS, 2026

As the creditors increasingly pursue recovery against personal guarantors alongside corporate debtors, the need for submission of additional information with respect to assets owned by such guarantors has grown sharply. The amended regulations address that, by way of insertion of Regulation 6A, which now mandates the applicants to submit a comprehensive "statement of assets" of the guarantor covering every asset class i.e., immovable property, cash, investments, retirement funds, digital and virtual assets (including crypto and non-fungible token), intellectual property, receivables, and beneficial ownership structures.

Further, to facilitate the transfer of assets of the guarantor as notified under Section 28A of the IBC, the resolution professional managing a personal guarantor's insolvency must now formally coordinate with the resolution professional handling the related corporate debtor's CIRP when insolvency proceedings are initiated simultaneously.

DSK View: *Before the amended regulations, a lack of structured asset disclosure meant creditors were often making decisions without understanding the guarantor's financial position. The requirement of submitting the new statement of assets of the guarantor closes that gap significantly including its coverage of digital and virtual assets, which reflects a forward-looking approach to personal wealth.*

IBBI (BANKRUPTCY PROCESS FOR PERSONAL GUARANTORS TO CORPORATE DEBTORS) (SECOND AMENDMENT) REGULATIONS, 2026

The amended regulations, by way of insertion of Regulation 20A, operationalises the provision of transfer of assets of the guarantors as provide under Section 28A of the IBC. As per the aforesaid regulation, the bankruptcy trustee of the debtor/personal guarantor has to coordinate with the resolution professional of the corporate debtor (for whom the guarantee has been furnished with in relation to the debt) in relation to transferring the asset to the CIRP of the corporate debtor and requires such bankruptcy trustee to obtain approval from the meeting of committee of creditors.

DSK View: *Earlier, parallel proceedings risked producing conflicting outcomes i.e., assets being differently dealt with in each process, with no framework to align recoveries of the common debt. The new coordination requirements address that problem effectively. For creditors pursuing recovery on multiple fronts simultaneously, this implies, less litigation, and more predictable outcomes across connected proceedings.*

IBBI (INFORMATION UTILITIES) (AMENDMENT) REGULATIONS, 2026

The amended regulations, now provides a formal distinction is now drawn between "authenticated" records (confirmed defaults) and "disputed" records (where the debtor raises a

dispute), giving the creditors, who rely on Information Utilities records, a much clearer picture of each case. The Amended Regulation provides, where only part of a default is disputed, the Information Utility may still authenticate the undisputed portion thereby preventing debtors from using partial disputes to block the legitimate defaults entirely.

DSK View: *Through this Amendment, the creditors are more likely to rely on Information Utilities records for the undisputed debt for proving "default" on the part of the corporate debtor thereby ensuring fewer admission stage disputes and faster processing of applications*.

In the case of *Sanjay Dave v. Andhra Bank Ltd. & Ors., Civil Appeal Nos. 12264-12266 of 2024*, the appellant, being the Successful Resolution Applicant ("**SRA**") of the Oracle Home Textiles Limited, filed appeals under Section 62 of the IBC challenging the judgment passed by the Hon'ble National Company Law Appellate Tribunal ("**NCLAT**"), which had upheld the liquidation of the corporate debtor and forfeiture of the earnest money deposit deposited by the appellant passed by the national ("**EMD**").

The appellant's resolution plan had been approved by the Committee of Creditors ("**COC**"), pursuant to which a letter of intent was issued by the resolution professional. However, the appellant subsequently contended that the letter of intent was conditional in nature and refused to comply with its obligations under the approved resolution plan, including furnishing of the performance security. Consequently, the COC resolved to liquidate the corporate debtor and forfeited the EMD submitted by the appellant.

The principal issue before the Hon'ble Supreme Court was whether the SRA could avoid its obligations under the approved resolution plan by contending that the conditions and terms of the letter of intent were conditional and whether the subsequent decision of the COC to liquidate the corporate debtor warranted interference.

The Hon'ble Supreme Court observed that the SRA was fully aware of the terms and conditions of the resolution process and had participated in the same without protest. The Court held that the stipulations contained in the letter of intent did not render it conditional so as to permit the SRA to withdraw from the approved resolution plan. The Court further held that once a resolution plan has been approved by the CoC, a successful resolution applicant cannot seek withdrawal or modification of the plan.

The Hon'ble Supreme Court further observed that SRA could not be permitted to approbate and reprobate by accepting the benefits arising from the approved resolution plan while simultaneously refusing to comply with its obligations. Accordingly, the appeals filed were dismissed and the Supreme Court upheld the order(s) of liquidation passed by the NCLT and NCLAT.

DSK View: The Hon'ble Supreme Court reiterated the bindingness of a COC approved resolution plan and reaffirmed the position that a successful resolution applicant cannot subsequently withdraw from its commitments. The judgment reinforces certainty and finality in the corporate insolvency resolution process and affirms the limited scope of judicial interference with respect to the commercial decisions of the CoC.

In the case of *CA Ramchandra Dallaram Choudhary v. Adani Infrastructure and Developers Private Limited, Civil Appeal, Diary No. 5988 of 2026*, the appellant, being the liquidator of the corporate debtor, filed an appeal before the Hon'ble Supreme Court under Section 62 of IBC challenging the judgment passed by the Hon'ble NCLAT.

The appeal was filed seven days beyond the 45-day period under Section 62(1) of the IBC but within the 15-day grace period permitted under Section 62(2) of the UBC, and was therefore within the outer/extended limitation period. However, the registry also marked the appeal as defective. Upon the defects being pointed out, the appeal was re-filed after a further delay of 82 (eighty-two) days. Applications seeking condonation of the delay in re-filing were accordingly filed before the Hon'ble Supreme Court.

The principal issue before the Hon'ble Supreme Court was whether the delay in re-filing a defective appeal under Section 62 of the IBC could be condoned beyond the 28-day window permitted under the Supreme Court Rules, 2013 for curing defects after notification by the Registry.

The Hon'ble Supreme Court observed that IBC is a time-bound legislation and that strict adherence to limitation timelines forms an integral part of the insolvency framework. The Court held that merely because an appeal was initially presented within limitation, a litigant cannot claim an indefinite extension of time for curing defects.

The Hon'ble Supreme Court further held that defects in an appeal under Section 62 of the IBC must be cured within 28 (twenty eight) days of notification by the registry. Once that 28 (twenty eight) window lapses, the right to re-file stands extinguished and no application for condonation of re-filing delay is maintainable. The Court held that a litigant cannot use a defective appeal as a device to preserve appellate rights and then cure defects at leisure. Accordingly, the Court declined to condone the delay and dismissed the appeal.

DSK View: *The judgment reinforces the strict limitation regime under the IBC and clarifies that defective appeals cannot be used as a mechanism to circumvent statutory timelines. The ruling strengthens the principle of expeditious resolution and procedural discipline in insolvency proceedings.*

MAHARERA CLARIFIES SCOPE OF JURISDICTION: DEVELOPMENT AGREEMENT DISPUTES CANNOT DEFEAT PAYMENT OBLIGATIONS UNDER AN AGREEMENT FOR SALE

In a recent order passed by the Maharashtra Real Estate Regulatory Authority (MahaRERA) on June 15, 2026, in the matter of **Siddan Enterprise vs. Dina Mitul Pal & Anr.**, the Authority reaffirmed that disputes arising under a redevelopment or development agreement cannot be imported into proceedings under the Real Estate (Regulation and Development) Act, 2016 (RERA) to avoid payment obligations under a registered agreement for sale.

The promoter sought recovery of the unpaid balance sale consideration from the allottees after handing over possession of the flat. While the allottees admitted execution of the agreement for sale and receipt of possession, they resisted payment by raising claims relating to the underlying development agreement, including alleged breaches concerning retained carpet area, corpus fund, GST liabilities, society formation and incomplete amenities.

MahaRERA held that its jurisdiction in the present proceedings was confined to adjudicating rights and obligations arising from the promoter-allottee relationship under the registered agreement for sale. It observed that claims arising out of the development agreement constituted independent disputes that could neither be adjudicated nor set off in proceedings under RERA. Since the allottees had failed to establish that the entire agreed consideration had been paid, they remained liable under Section 19(6) of the RERA Act to pay the outstanding sale consideration, notwithstanding their separate claims against the promoter.

Accordingly, MahaRERA partly allowed the complaint and directed the allottees to pay the outstanding consideration together with applicable interest after reconciliation of accounts within 30 days.

The decision reinforces the limited jurisdiction of MahaRERA in promoter-allottee disputes and underscores that contractual obligations under a registered agreement for sale cannot be defeated by unrelated claims arising from redevelopment arrangements. The order provides welcome clarity for promoters and allottees involved in redevelopment projects where multiple contractual relationships coexist.

MAHARERA GRANTS DEFAULTING ALLOTTEES FINAL OPPORTUNITY BEFORE UPHOLDING PROMOTER'S RIGHT TO TERMINATE ALLOTMENT

In a recent order passed by the Maharashtra Real Estate Regulatory Authority (MahaRERA) on June 18, 2026, in the matter of **Ruparel Shreeji Construction Pvt. Ltd. vs. Milind Manohar Jadhav & Anr.**, the Authority reaffirmed that an allottee's obligation to make timely payments under an agreement for sale continues notwithstanding delays in project completion. At the same time, MahaRERA balanced the interests of both parties by granting the allottees a final opportunity to cure their payment defaults before permitting termination of the allotment.

The promoter sought directions for payment of outstanding consideration, execution of deeds of cancellation and forfeiture of 20% of the sale consideration after the allottees repeatedly failed to honour the agreed payment schedule despite several demand notices, default notices and termination notices. The allottees contended that the project itself had been delayed, that the promoter had sought an extension of the project registration, and therefore the termination was arbitrary.

MahaRERA held that Sections 19(6) and 19(7) of the RERA Act impose a statutory obligation on allottees to make payments in accordance with the agreement for sale and to pay interest for delayed payments. The Authority observed that delays in project completion do not absolve allottees from complying with their contractual payment obligations. Any claims arising from project delays constitute

independent causes of action and cannot be used as a defence in proceedings initiated by the promoter for recovery of dues or enforcement of contractual rights.

Accordingly, MahaRERA directed the allottees to pay the outstanding consideration along with applicable interest within 30 days. Failing such compliance, the promoter was held entitled to terminate the agreements for sale under Section 11(5) of the RERA Act, invoke the contractual forfeiture clause and require execution of cancellation deeds.

The decision reinforces the reciprocal nature of rights and obligations under the RERA framework and underscores that while allottees retain remedies against delayed projects, such grievances do not suspend their independent obligation to honour payment commitments under a registered agreement for sale.

MAHARERA DIRECTS PROMOTER TO REVIVE ABEYANCE PROJECT AND PAY DELAY INTEREST UNTIL LAWFUL POSSESSION

In a recent order passed by the Maharashtra Real Estate Regulatory Authority (MahaRERA) on June 18, 2026, in the matter of **Dnyaneshwar Sahebrao Telhore & Anr. vs. Asha Pathak & Ors.**, the Authority directed the promoter to revive a project lying in abeyance, obtain the Occupancy Certificate (OC), hand over lawful possession, and pay interest for the delay.

The complainants had paid the entire sale consideration for their flat but contended that the project remained incomplete, no Occupancy Certificate had been obtained, and possession had not been lawfully handed over. The promoter failed to appear before MahaRERA despite repeated opportunities.

MahaRERA held that where an agreement does not specify a possession date, the completion date declared on the MahaRERA portal becomes the relevant benchmark. Since the project was due for completion on June 1, 2019, had not been extended, and remained in abeyance without an Occupancy Certificate, the promoter had failed to fulfil its statutory obligations.

Accordingly, MahaRERA directed the promoter to remove the project from the abeyance list within 60 days, complete the remaining work, obtain the Occupancy Certificate, and hand over lawful possession. It also awarded interest on the entire sale consideration from June 2, 2019 until possession. However, relying on *Neelkamal Realtors*, the Authority declined separate compensation for mental agony, holding that interest under Section 18 of the RERA Act is compensatory in nature.

The decision reinforces that promoters cannot avoid liability by allowing projects to remain in abeyance and that the completion date disclosed on the MahaRERA portal may determine liability for delayed possession where the agreement is silent.

MAHARERA DECLINES TO REPLACE STACK PARKING: HOLDS MERE INCONVENIENCE DOES NOT CONSTITUTE A DEFECT UNDER RERA

In a recent order passed by the Maharashtra Real Estate Regulatory Authority (MahaRERA) on June 1, 2026, in the matter of **Sujay Vishwas Desawale & Ors. vs. Ace Constructions**, the Authority held that the allotment of mechanical stack parking, in the absence of any contractual assurance of independent parking, does not by itself constitute a defect under the Real Estate (Regulation and Development) Act, 2016 (RERA).

The allottees alleged that the promoter had allotted stack parking instead of conventional covered parking, rendering it unsuitable for SUV vehicles and causing a reduction in the value of their flats. They also raised concerns regarding rusting of the parking system, non-provision of the promised solar hot water facility, delayed possession and, in one complaint, leakage and seepage in the flat.

MahaRERA observed that the agreements for sale only guaranteed "covered parking" and contained no assurance that independent RCC parking spaces would be provided. The Authority further noted that the complainants had failed to produce any expert evidence establishing that the stack parking system was unsafe, structurally defective or incapable of accommodating vehicles. Similarly, claims relating to reduction in property value and alleged misrepresentation were unsupported by documentary evidence.

Accordingly, MahaRERA declined to direct replacement of the stack parking system or allotment of independent parking spaces. However, it directed the promoter to inspect and repair the parking system, undertake anti-rust treatment, maintain the common facilities, and rectify leakage and seepage defects, if any, within 60 days.

The decision underscores that claims of defects or misrepresentation under the RERA framework must be supported by cogent evidence and that mere inconvenience or dissatisfaction with the nature of the parking facility is insufficient to warrant relief.

SPORTS AND GAMING

SPORTS

AFI MANDATES PRIOR APPROVAL FOR ATHLETE SPONSORSHIP DEALS

The Athletics Federation of India (AFI) has introduced a new rule requiring all track and field athletes to obtain prior approval before entering into any sponsorship or commercial agreement with third parties, including private backers such as Reliance, JSW, and OGQ.

The stated objective is to protect the interests of both athletes and sponsors, particularly in light of increasing instances of athletes frequently switching sponsors. Under the new system, sponsors are also expected to verify AFI approval before executing agreements, with the federation committing to respond within a short timeframe.

The move comes against the backdrop of a shift away from centralised training structures, with many elite athletes now training under private organisations rather than national camps, increasing the importance of private sponsorships. However, the rule has drawn criticism from legal experts and stakeholders, who argue that it effectively restricts athletes' commercial freedom and could amount to an unreasonable restraint on trade, potentially raising constitutional concerns under the right to practice a profession.

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DELHI HIGH COURT MANDATES FULL COMPLIANCE WITH NEW SPORTS LAW REGIME IN FEDERATION ELECTIONS

The Delhi High Court allowed the results of the All India Tennis Association (AITA) elections held on September 28, 2024, to stand, but directed that the elected body will function only as an interim arrangement under the supervision of a court-appointed Administrator, former Chief Justice Gita Mittal.

In its order, Justice Mini Pushkarna made it clear that while the outcome of the 2024 elections will not be disturbed at this stage, the executive committee will operate in a limited capacity and remain subject to the oversight of Justice (Retd.) Mittal. The Court has tasked Justice Mittal with managing the affairs of AITA and ensuring that its functioning is aligned with the National Sports Code and the amended constitution and by-laws by June 30.

As of now AITA has a 25-member Executive Committee but as per the NSG Act, it needs to be a 15-member panel. Justice (Retd.) Mittal has also been directed to conduct fresh elections within a period of three months after the constitution is aligned with the Sports Act, 2025 and Sports Governance Rules 2026.

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FIFA ALLOWS AFGHAN WOMEN'S TEAM IN EXILE TO COMPETE WITHOUT STATE APPROVAL

In a landmark and highly unusual move, FIFA has amended its regulations to allow the Afghan women's national team in exile to compete in official international matches without recognition from the Taliban-controlled Afghanistan Football Federation. The decision applies to "Afghan Women United", a team made up of refugee players dispersed across countries like Australia and Europe, many of whom fled Afghanistan after the Taliban returned to power in 2021 and banned women from participating in sports.

This represents a fundamental departure from FIFA's long-standing rule that national teams must be approved by their country's official football federation. The change was driven by years of advocacy and forms part of FIFA's broader strategy to restore pathways for Afghan women to participate in international football.

The team is now expected to return to international competition, potentially as early as upcoming FIFA windows, although it will miss qualification for the 2027 Women's World Cup but could compete in future events such as Olympic qualifiers.

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PALESTINIAN FA ESCALATES FIFA–ISRAEL DISPUTE TO CAS

The Palestinian Football Association has filed an appeal before the Court of Arbitration for Sport challenging FIFA's decision not to sanction Israel over clubs based in West Bank settlements. The dispute centres on the long-standing argument that Israeli clubs operating in contested Palestinian territory should not be allowed to participate in competitions organised by the Israel Football Association, as the territory is claimed for a future Palestinian state.

FIFA declined to take action earlier in 2026, citing the "unresolved and complex" legal status of the West Bank under international law, effectively avoiding a substantive ruling on the merits.

Frustrated after over 15 years of inconclusive proceedings within FIFA, the Palestinian body has now escalated the matter to CAS, arguing that FIFA's inaction is unjust and seeking a binding adjudication. The appeal also comes amid broader tensions, including visa issues affecting Palestinian officials attending FIFA Congress events and ongoing disruptions to football activity in Gaza, where infrastructure and competitions have been severely impacted.

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UKRAINE CHALLENGES "NEUTRAL" STATUS OF RUSSIAN ATHLETES AT OLYMPICS

Ukraine has formally asked the International Olympic Committee to review the eligibility of certain Russian athletes competing as "neutral participants," alleging that some may have links to the military or have violated Olympic participation conditions.

Under the IOC's current framework, a limited number of Russian and Belarusian athletes are allowed to compete in events such as the Paris 2024 Olympics and the Milano-Cortina 2026 Winter Games without national flags or anthems, provided they meet strict neutrality criteria, including no support for the Ukraine invasion.

Ukraine claims to have compiled evidence of "systematic violations" of these rules and has urged the IOC to reassess whether such athletes should be permitted to compete at all.

Read more

CAS TO ACT AS FINAL APPEAL BODY DURING FIFA WORLD CUP 2026

FIFA has confirmed that the Court of Arbitration for Sport will establish an ad hoc division to function as the final appeal body during the FIFA World Cup 2026, ensuring rapid resolution of disputes arising during the tournament.

The tribunal will operate only for the duration of the tournament (11 June to 19 July 2026) and will handle appeals against FIFA decisions, including disciplinary actions, eligibility disputes, and other competition-related matters.

A key feature of this mechanism is its expedited process, with decisions required to be issued within 48 hours, ensuring that legal disputes do not disrupt the flow of the competition. Importantly, cases can only be brought before this body after exhausting FIFA's internal legal remedies, and only where an appeal is permitted under FIFA's statutes.

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GAMING

MEITY NOTIFIES ONLINE GAMING RULES

The Ministry of Electronics and Information Technology has notified the Online Gaming Rules, 2026 under the Promotion and Regulation of Online Gaming (PROG) Act, 2025, and the regime takes effect from May 1, 2026. The rules are meant to operationalize the law by creating a formal regulatory structure for digital gaming, while keeping the core prohibition on online money gaming intact.

A major feature of the framework is the creation of the Online Gaming Authority of India, which will function as the central decision-maker on classification and enforcement. The authority will have quasi-judicial powers akin to a civil court, including the ability to conduct inquiries and summon persons, and the process is expected to be largely digital.

The rules continue to separate the sector into three categories: online social games, e-sports, and online money games. Social games may earn revenue through subscriptions or similar models, but they cannot involve payouts to users; e-sports may involve pre-declared prizes, but only if they are recognized as sporting events; and online money games, where users stake money for winnings, remain banned.

The notification also clarifies that online games that do not involve real money will not require mandatory registration, which points to a lighter compliance burden for non-monetized products. At the same time, the authority will still examine whether a game's actual structure brings it within the money-gaming prohibition, even if it is marketed as something else.

Enforcement is built around cyber-cell policing, with investigations able to be handled by police officers in charge of cyber cells and nodal cyber-cell officers at the state, district, or police-station level. The article also notes that the law carries stiff penalties: facilitators of online money gaming can face up to three years' imprisonment and fines up to ₹1 crore, while advertising such platforms can attract up to two years' imprisonment and fines up to ₹50 lakh.

In effect, the government is giving the sector a defined compliance pathway for social gaming and e-sports, while preserving a strict prohibition for money gaming and the promotional ecosystem around it.

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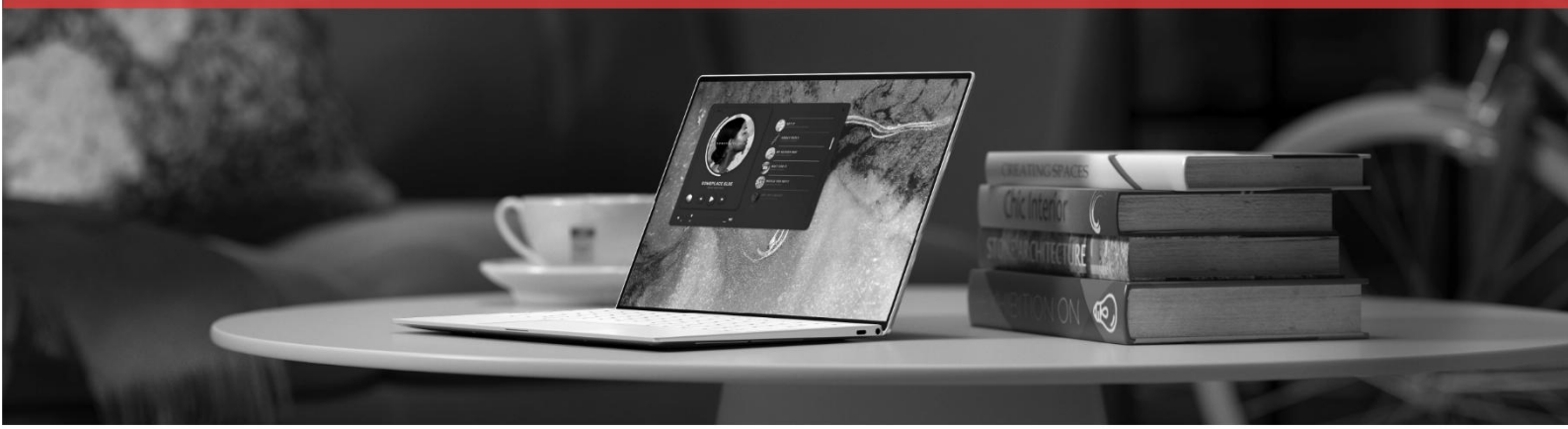

DOT NOTIFIES THE TELECOMMUNICATIONS (AUTHORISATION FOR PROVISION OF PRINCIPAL TELECOMMUNICATION SERVICES) RULES, 2026

The Department of Telecommunications ("**DoT**"), *vide* a Gazette notification dated June 23, 2026 (*accessible here*), has notified the Telecommunications (Authorisation for Provision of Principal Telecommunication Services) Rules, 2026 ("**Authorisation Rules**") under the Telecommunications Act, 2023 ("**Telecom Act**"). The Authorisation Rules establish the framework governing the grant, renewal, transfer, surrender and cancellation of authorisations for the provision of principal telecommunication services.

The Authorisation Rules introduce a unified authorisation regime under which eligible entities may obtain authorisations to provide Integrated Services, Access Services, Wireline Access Services, Internet Services and Long Distance Services, subject to prescribed eligibility criteria, entry fees, minimum paid-up equity capital and net worth requirements, and compliance with applicable foreign investment norms. The Authorisation Rules also prescribe transition arrangements for the migration from the existing licensing framework. Applicants holding overlapping licences or authorisations are required to relinquish such licences before obtaining a corresponding authorisation under the new regime. Further, applications and Letters of Intent issued under the erstwhile licensing framework under the Indian Telegraph Act, 1885, which had not culminated in the grant of a licence before the commencement of the Rules, shall lapse, subject to the transition provisions relating to the adjustment or refund of fees and the release of bank guarantees, as applicable.

DOT NOTIFIES COMMENCEMENT OF AUTHORISATION AND LICENCE MIGRATION PROVISIONS UNDER THE TELECOMMUNICATIONS ACT, 2023

The DoT, *vide* a Gazette notification dated June 23, 2026, (*accessible here*) has appointed June 23, 2026, as the date on which sub-sections (1) and (6) of Section 3 of the Telecom Act come into force ("**Notification**"). Section 3(1) empowers the Central Government to grant authorisations for the provision of telecommunication services, subject to such terms and conditions as may be prescribed, while Section 3(6) of the Telecom Act enables existing licence holders under the erstwhile licensing regime to migrate to the new authorisation framework in accordance with prescribed terms and conditions. The Notification operationalises the statutory framework for grant of telecommunication service authorisations and migration of existing licences to the new regime under the Telecom Act.

DOT NOTIFIES ONLINE PORTAL FOR TELECOMMUNICATION SERVICE AUTHORISATIONS AND LICENCE MIGRATION UNDER THE TELECOM ACT

The DoT, *vide* a notification dated June 23, 2026, (*accessible here*) has operationalised the online application process for obtaining fresh authorisations to provide telecommunication services and for migration of existing licences to the new authorisation regime under the Telecom Act. Applicants may now submit applications for both fresh authorisations and the migration of existing licences through the 'Telecom eServices Portal' (*accessible here*). The operationalisation of the portal also marks the end of the interim suspension on acceptance of applications for Unified Licences, Unified Licence (VNO), standalone licences, registrations, permissions and no-objection certificates, which had been in effect since November 10, 2025, pending the notification of the new authorisation framework.

DOT NOTIFIES THE TELECOMMUNICATIONS (TERMS AND CONDITIONS FOR MIGRATION) RULES, 2026

The DoT, *vide* a Gazette notification dated June 23, 2026 (*accessible here*), has notified the Telecommunications (Terms and Conditions for Migration) Rules, 2026 ("**Migration Rules**"). The Migration Rules prescribe the

framework for migration of existing licences, registrations and permissions issued under the erstwhile licensing regime to the new authorisation framework under Section 3(6) of the Telecom Act.

The Migration Rules require eligible licensees to submit migration applications through the designated Telecom eServices Portal within prescribed timelines, prescribe the conditions for approval of such applications and clarify that migration will not extinguish existing rights, liabilities, financial dues, roll-out obligations or penalties arising under the original licence. The Migration Rules further provide that existing telecommunication identifiers, spectrum assignments, compliance certificates and other governmental permissions will continue to remain valid upon migration, unless otherwise determined by the Central Government in the public interest.

DOT NOTIFIES THE TELECOMMUNICATIONS (AUTHORISATION FOR PROVISION OF CAPTIVE TELECOMMUNICATION SERVICES) RULES, 2026

The DoT, *vide* a Gazette notification dated June 23, 2026 (*accessible here*), has notified the Telecommunications (Authorisation for Provision of Captive Telecommunication Services) Rules, 2026 ("**Captive Services Rules**"). The Captive Services Rules establish a unified authorisation framework for the provision of captive telecommunication services, including captive private networks, captive mobile radio trunking services, captive VSAT services and captive general telecommunication services.

The Captive Services Rules prescribe the eligibility criteria, application process, validity, renewal, reporting obligations and operational conditions applicable to authorised entities. The Captive Services Rules further require that telecommunication network systems, data, logs and related information be located and stored within India, prohibit overlapping authorisations, and mandate prior approval for transfer of authorisations, compliance with security and reporting requirements, and notification of specified changes in ownership, control and shareholding.

DOT NOTIFIES THE TELECOMMUNICATIONS (AUTHORISATION FOR PROVISION OF MISCELLANEOUS TELECOMMUNICATION SERVICES) RULES, 2026

The DoT, *vide* a Gazette notification dated June 23, 2026 (*accessible here*), has notified the Telecommunications (Authorisation for Provision of Miscellaneous Telecommunication Services) Rules, 2026 ("**Miscellaneous Rules**"). The Miscellaneous Rules prescribe the framework governing the grant, renewal, surrender, transfer and cancellation of authorisations for specified telecommunication services, including Public Mobile Radio Trunking Services, Enterprise Communication Services, Machine-to-Machine Services, PM-WANI Services, In-flight and Maritime Connectivity Services, and Aeronautical Data Communication Services.

The Miscellaneous Rules provide that authorisations may be granted on a non-exclusive basis for a period of up to 20 years and clarify that the grant of an authorisation does not, by itself, confer any right to the assignment or use of spectrum, which remains subject to applicable law. The Miscellaneous Rules further prescribe detailed eligibility criteria, annual reporting and disclosure obligations (including disclosures relating to foreign equity, control and shareholding), restrictions on the transfer and surrender of authorisations, and require entities holding existing licences or authorisations covering the same scope to relinquish such licences or authorisations before obtaining an authorisation under the new framework.

DOT NOTIFIES THE DRAFT TELECOMMUNICATIONS (SPECTRUM ASSIGNMENT BY ADMINISTRATIVE PROCESS) RULES, 2026

The DoT, *vide* a gazette notification dated June 17, 2026 (*accessible here*), has issued the Draft Telecommunications (Spectrum Assignment by Administrative Process) Rules, 2026 ("**Draft Spectrum Rules**"). The Draft Spectrum Rules formalise the framework for assignment of spectrum through an administrative process (*i.e.*, without auction) to specified categories of users, including satellite communication ("**Satcom**") service providers, Direct-to-Home platforms, teleports, broadcasters, and state-run BSNL and MTNL for satellite phone services. The Draft Spectrum Rules further require that Satcom companies obtain explicit security clearance from the Central Government before connecting their networks to public telecommunication networks (including landline, PSTN, public land mobile networks, or the internet) and before commencing the provision of satellite-based services to the public, even after spectrum has been assigned and a Letter of Intent issued.

The DoT has invited public comments and suggestions on the Draft Spectrum Rules until July 18, 2026.

DOT NOTIFIES LICENSING EXEMPTION FRAMEWORK FOR CELLULAR VEHICLE-TO-EVERYTHING COMMUNICATION

The DoT, *vide* Gazette notification dated June 10, 2026 (*accessible here*), has notified the *Use of On Board Unit for Cellular Vehicle-to-Everything Communication in the 5.9 GHz Band (Exemption from Licensing Requirements) Rules, 2026* ("**Exemption Rules**"). The Exemption Rules exempt On Board Units ("**OBUs**") used for Cellular Vehicle-to-Everything communications in the 5875–5905 MHz frequency band from wireless licensing and radio frequency assignment requirements, subject to prescribed technical and operational conditions. The Exemption Rules permits the establishment, operation, possession, sale and hire of

compliant OBUs on a non-interference, non-protection and non-exclusive basis, while requiring equipment-type approval through a designated DoT portal and compliance with applicable Indian or international standards. The Exemption Rules come into force with immediate effect.

DOT NOTIFIES LICENSING EXEMPTION FRAMEWORK FOR SHORT-RANGE AUTOMOTIVE RADAR SYSTEMS IN THE 77–81 GHZ BAND

The DoT, *vide* Gazette notification dated June 11, 2026 (*accessible here*), has notified the *Use of Short-Range Automotive Radar System in the 77–81 GHz Band (Exemption from Licensing Requirements) Rules, 2026* ("**Short-Range Exemption Rules**"). The Short-Range Exemption Rules exempt short-range automotive radar systems operating in the 77–81 GHz frequency band from wireless licensing and radio frequency assignment requirements, subject to prescribed technical and operational conditions. The Short-Range Exemption Rules permit the establishment, operation, possession, sale and hire of such radar systems on a non-interference, non-protection and non-exclusive basis, while requiring compliance with applicable standards and equipment-type approval through a designated DoT portal. The Rules come into force with immediate effect.

MEITY ISSUES PROCEDURE FOR GRANT OF EXEMPTIONS TO HIGHLY SPECIALIZED EQUIPMENT UNDER COMPULSORY REGISTRATION REQUIREMENTS

The Ministry of Electronics and Information Technology ("**MeitY**"), vide a circular dated March 12, 2026 (*accessible here*), has prescribed the procedure for granting exemptions to Highly Specialized Equipment ('**HSE**") under the Electronics and Information Technology Goods (Requirements for Compulsory Registration) Order, 2021, which have come into force with effect from June 15, 2026 ("**Circular**"). The Circular permits specified HSE manufactured or imported in quantities of less than 100 units per model per calendar year to be exempted from the compulsory registration requirements, subject to satisfaction of prescribed technical criteria. The Circular further prescribes an online application process through the ICEGATE portal; specifies the documentation required for obtaining an exemption; provides that exemption letters will remain valid until the end of the relevant calendar year; and requires manufacturers exceeding the prescribed threshold to obtain registration from the Bureau of Indian Standards.

CERT-IN ISSUES AI-ACCELERATED VULNERABILITY PROTECTION AND RESPONSE GUIDELINES FOR OEMS AND TECHNOLOGY PROVIDERS

The Indian Computer Emergency Response Team ("**CERT-In**"), *vide* guidelines dated June 10, 2026 (*accessible here*), has issued the *Guidelines regarding AI-Accelerated Vulnerability Protection and Response Requirements for Original Equipment Manufacturers (OEMs), and Technology Providers* ("**Guidelines**"). The Guidelines prescribe enhanced cybersecurity and vulnerability management measures for OEMs, software vendors, hardware manufacturers, cloud service providers and other technology providers operating in India in light of increasing AI-assisted cyber threats. The Guidelines also recommend continuous vulnerability assessments using AI-assisted testing techniques, immediate disclosure of critical and high-severity vulnerabilities and zero-day exploits to affected organisations and CERT-In, accelerated patch management timelines, maintenance of Software Bills of Materials (SBOMs), strengthened credential management controls, and the establishment of cybersecurity incident response and vulnerability disclosure processes, including reporting of cybersecurity incidents to CERT-In within six hours of detection.

SUPREME COURT INVITES PUBLIC COMMENTS ON DRAFT REGULATIONS GOVERNING USE OF ARTIFICIAL INTELLIGENCE IN COURTS

The Supreme Court of India, through a notice dated June 3, 2026 (*accessible here*), has published the draft Regulations for Use of Artificial Intelligence (AI) in Courts, 2026 ("**Draft Regulations**") for public consultation. The Draft Regulations propose a comprehensive governance framework for the adoption, deployment and oversight of AI across the Supreme Court, High Courts, subordinate courts, tribunals and statutory commissions performing adjudicatory functions. They are founded on principles including human primacy, judicial independence, transparency, accountability, explainability, data protection, cybersecurity and fairness, while expressly providing that AI systems may only function in an assistive capacity and cannot replace human judicial decision-making. The Draft Regulations also prescribe permissible uses of AI (including legal research, translation, transcription, case management and administrative functions), prohibit certain high-risk uses (including AI-based adjudication, sentencing, risk scoring and behavioural profiling), establish an institutional governance framework comprising an Apex Body, AI Committees and an AI Secretariat, mandate technical and ethical impact assessments, periodic audits and transparency obligations, and require disclosure where AI-generated content is used in court proceedings.

MIB ISSUES DRAFT TELECOMMUNICATIONS (TELEVISION, RADIO AND ASSOCIATED SERVICES) RULES, 2026

The Ministry of Information and Broadcasting ("**MIB**"), on June 12, 2026 (*accessible here*), has issued the Draft Telecommunications (Television, Radio and Associated Services) Rules, 2026 ("**Draft TV & Radio Rules**"). The Draft TV & Radio Rules consolidate the existing regulatory

framework governing television channels, Direct-to-Home services, Headend-in-the-Sky services, teleports, private FM radio, community radio, IPTV and television news agencies into a single framework under the Telecom Act, replacing the fragmented regime under the erstwhile Indian Telegraph Act, 1885.

The Draft TV & Radio Rules prescribe a unified authorisation framework for television channels, television channel distribution services, teleports, news agencies for television, private radio services and community radio services by consolidating the existing licensing guidelines into a single regulatory framework. The Draft TV & Radio Rules also introduce service-specific eligibility criteria including net worth and ownership requirements, prescribe time periods of authorisation of up to 20 years, provide a migration mechanism for existing licensees, mandate security clearances for key managerial personnel, authorised entity along with governing body members, and prescribe detailed operational, reporting and financial obligations for each category of broadcasting service.

The MIB has invited public comments and suggestions on the Draft TV & Radio until July 27, 2026.

NPCI ISSUES REVISED BHIM-UPI BRANDING AND USAGE GUIDELINES

The National Payments Corporation of India ("**NPCI**") has issued revised *BHIM-UPI Guidelines, 2026* (*accessible here*), setting out comprehensive standards governing the use of BHIM-UPI branding, logos, identifiers, QR codes and communication materials across the UPI ecosystem ("**NPCI Guidelines**"). The NPCI Guidelines prescribe detailed requirements relating to the use of BHIM and UPI brand marks by banks, payment service providers, merchants and third-party application providers, including restrictions on modification, co-branding and misuse of official logos. The NPCI Guidelines also provide standards for the display of UPI identifiers, onboarding journeys, communication materials and partner branding to ensure consistency, consumer recognition and protection of the BHIM-UPI brand across digital payment channels.

WHITE COLLAR CRIME

ARVIND DHAM ("APPELLANT") VS DIRECTORATE OF ENFORCEMENT ("ED")

[RIGHT TO SPEEDY SPECIAL NOT DEFEATED BY GRAVITY OF OFFENCE; PROLONGED PRE-SPECIAL DETENTION BECOMES PUNISHMENT] DECIDED ON 6 JANUARY, 2026

A Division Bench of the Hon'ble Supreme Court of India comprising of Justice Sanjay Kumar and Justice Alok Aradhe, in the matter titled ***Arvind Dham vs Directorate of Enforcement[4],*** held that the right to a speedy trial, guaranteed under Article 21 of the Constitution, is not eclipsed by the nature of the offence.

Brief Facts of the Case

The above enumerated Appeal is directed against the judgment and order dated 19.08.2025, passed by Learned Single Judge of the Hon'ble High Court of Delhi, an application for grant of regular bail preferred by the Appellant under Section 483 of the Bhartiya Nagrik Suraksha Sanhita, 2023 ("**BNSS**") read with Section 45 of the Prevention of Money Laundering Act, 2002,("**PMLA**") was rejected.

The Appellant herein is the former promoter and non-executive chairman of Amtek Auto Ltd. and non-executive director of ACIL Ltd., a part of the "Amtek Group".

FIR was registered on 21.12.2022 at the instance of IDBI Bank and Bank of Maharashtra alleging commission of offences under Sections 120B, 420, 406, 468 of the Indian Penal Code, 1860 ("**IPC**") and Section 13 (2) and 13(1)(d) of the Prevention of Corruption Act, 1988,("**PC Act**") alleging frauds to the tune of INR 385.35 Crores and INR 289 Crores. Consequently, ED registered two ECIRs on 21.03.2023 alleging laundering of proceeds of crime.

Submissions Advanced

The Appellant contended that he was 64 years old, suffering from multiple medical ailments, and had already undergone incarceration for approximately 16 months and 20 days. It was argued that such prolonged detention without commencement of Trial violated his fundamental right under Article 21 of the Constitution, particularly the right to personal liberty and speedy trial.

The Appellant submitted that the investigation against him had already been completed and the ED itself had acknowledged before the Special Court that his custodial interrogation was no longer required. Since the prosecution complaint had not even reached the stage of cognizance and remained at the stage of scrutiny of documents, there was no possibility of the trial commencing in the foreseeable future.

In response to ED's specific objection on influencing witnesses if granted bail, the Appellant denied the same by submitting that he had remained in custody since July 2024, whereas the witness allegedly influenced by him, Ms. Anuradha Kapur, was included as a witness only in August 2025. The Appellant also denied any involvement in the disposal of properties at Panipat and Alwar and asserted that he had no connection with the company through which those transactions were allegedly carried out.

Lastly, the Appellant argued that the prosecution had deliberately exaggerated the magnitude of the alleged fraud by referring to figures of INR 38,000 crores, whereas the predicate offences involved allegations aggregating approximately INR 673 crores. He relied upon several precedents of the Hon'ble Supreme Court holding that economic offences cannot automatically justify denial of bail

[4] 2026 SCC OnLine SC 30

and that prolonged incarceration without progress of trial constitutes a valid ground for grant of bail.

The ED opposed the grant of bail on the ground that the allegations involved an extremely serious and sophisticated economic offence. It was contended that the Appellant was the principal architect and beneficiary of a large-scale fraud involving diversion and laundering of public funds.

ED argued that the Appellant, owing to his influence and position, had attempted to obstruct the investigation by directing a close relative and dummy director of his group companies not to cooperate with investigating authorities. ED further alleged that proceeds of crime had been dissipated through transactions involving immovable properties at Alwar and Panipat even after attachment proceedings.

Further counsel for ED submitted that *mere* long incarceration cannot be treated as an independent ground for grant of bail, particularly where the offence is grave and there exists a possibility of witness intimidation or tampering with evidence. It was argued that the stringent twin conditions prescribed under Section 45 of PMLA continued to apply and the Appellant was not entitled to any relaxation thereof.

Decision

The Hon'ble Supreme Court reiterated that bail in economic offences must be decided on the facts and gravity of each case, not by treating such offences as a single homogeneous category that deserves automatic denial of bail. Balancing the seriousness of allegations against constitutional guarantees, particularly the right to personal liberty and a speedy trial under Article 21, the Hon'ble Court relied on precedents including *Manish Sisodia*[5], *V. Senthil Balaji*[6] and *Padam Chand Jain*[7] to hold that special statutes like the PMLA cannot be permitted to cause indefinite pre-trial detention. Prolonged custody with an uncertain Special timeline effectively converts pre-trial detention into punishment.

The Hon'ble Court found that the Appellant, had cooperated with the investigation before arrest and that the ED admitted its probe against him was complete. Of 28 persons named, only he was arrested. The maximum sentence for the alleged offence was seven years, yet he had already been in custody for over sixteen months. No cognizance had been taken of the prosecution's complaint and over 210 witnesses were to be examined, making a timely Special unlikely. Most prosecution evidence was documentary and already with the agency, reducing any risk of tampering. Further, delay in proceedings was substantially attributable to the ED, which had obtained a stay on the Learned Special Court's order and stalled progress for about eight months; ED could not rely on such delay to justify continued incarceration.

Accordingly, the Hon'ble Supreme Court allowed the appeal, set aside the Hon'ble Delhi High Court's refusal of bail, and granted regular bail to Appellant subject to usual conditions *viz.* surrender of passport, furnishing a contact number to the ED, and prior court's permission before leaving India. The Hon'ble Supreme Court affirmed that where investigation is complete, trial cannot reasonably commence soon, and detention is unduly prolonged, bail should ordinarily be granted even in serious economic offences.

PARVINDER SINGH ("APPELLANT") VS DIRECTORATE OF ENFORCEMENT ("ED")

[PRE-COGNIZANCE HEARING OF ACCUSED MANDATORY FOR PREVENTION OF MONEY LAUNDERING ACT, 2002 COMPLAINT, ("PMLA") WHEN COGNIZANCE TAKEN AFTER BHARTIYA NYAY SURAKSHA SANHITA, 2023 ("BNSS")] DECIDED ON 19 MAY, 2026

A Division Bench of the Hon'ble Supreme Court of India comprising of Justice M.M. Sundresh and Justice N. Kotiswar Singh, in the matter titled ***Parvinder Singh vs Directorate of Enforcement***[8], wherein the Hon'ble Supreme Court set aside the Uttarakhand High Court's decision, which had affirmed the Learned Special Court's order taking cognizance of an offence under the PMLA against the Appellant, without affording an opportunity of hearing to the Appellant as mandated under first proviso to Section 223(1) of the BNSS.

Brief Facts of the Case

The Appellant was proceeded against by the ED under the provision of the PMLA. An ECIR was registered on 24 July 2023, and the Appellant was arrested on 27 April 2024. Thereafter, the ED filed a prosecution complaint before the Learned Special Court on 24 June 2024 under Section 3 and 4 of the PMLA.

On the same day, the Learned Special Court directed registration of the complaint and fixed the matter for consideration of cognizance. The matter was initially listed on 28 June 2024 and thereafter adjourned to 2 July 2024 due to the Presiding Officer being on recess.

On 2 July 2024, the Learned Special Court took cognizance of the offence under Sections 3 and 4 of the PMLA and registered the matter as a Special Sessions Trial. However, while taking cognizance, the Learned Special Court did not provide any opportunity of hearing to the Appellant, though

[5] (2024) 12 SCC 660
[6] 2024 SCC OnLine SC 2626
[7] 2025 SCC OnLine SC 1291
[8] 2026 SCC OnLine SC 903

he was present through video conferencing from judicial custody.

Subsequently, the Appellant filed an application seeking recall of the cognizance order on the ground that the first proviso to Section 223(1) of the BNSS mandates that no cognizance can be taken without first giving the accused an opportunity of being heard. The Learned Special Court dismissed the application and simultaneously framed charges against the Appellant.

The Appellant challenged both the cognizance order and the order rejecting his recall application before the Hon'ble High Court of Uttarakhand. The Hon'ble High Court held that since the proceedings had commenced prior to the coming into force of the BNSS, Section 531(2)(a) of the BNSS saved the application of the old Code of Criminal Procedure, 1972 ("**CrPC**") and therefore Section 223 of the BNSS was inapplicable. Aggrieved thereby, the Appellant approached the Hon'ble Supreme Court.

Submissions Advanced

The Appellant contended that the Learned Special Court had admittedly taken cognizance without granting him any opportunity of hearing. It was argued that Sections 223 to 228 of the BNSS, corresponding to Sections 200 to 205 of the CrPC, apply to complaints filed under Section 44(1)(b) of the PMLA because there is no inconsistency between these provisions and the PMLA.

Reliance was placed upon the decisions of the Hon'ble Supreme Court in Tarsem Lal v. ED[9], Yash Tuteja v. Union of India[10] and Kushal Kumar Agarwal v. Directorate of Enforcement[11], wherein it had been held that complaint proceedings under the PMLA are governed by the provisions relating to complaint cases under the CrPC/BNSS.

It was also argued that mere filing and numbering of the complaint before 1 July 2024 did not amount to an "inquiry" within the meaning of Section 2(1)(k) of the BNSS. Consequently, the saving provision under Section 531(2)(a) could not be invoked to continue proceedings under the old legislation of CrPC.

However, the ED argued that the PMLA is a special and self-contained legislation and that the provisions relating to complaint procedure under the BNSS do not govern proceedings before a Special Court under the PMLA.

It was contended that the Special Court under the PMLA is a Court of original jurisdiction and does not follow the ordinary committal procedure envisaged under the BNSS. Therefore, the provisions of Chapter XVI of the BNSS, including Section 223, were stated to be inapplicable.

Alternatively, the counsel for ED submitted that even if Section 223 were otherwise applicable, the complaint had been filed on 24 June 2024, before the commencement of the BNSS. According to the counsel for ED, the filing of the complaint and the judicial orders passed thereafter amounted to commencement of an "inquiry". Consequently, by virtue of Section 531(2)(a) of the BNSS, the proceedings were required to continue under the CrPC.

ED further argued that the Appellant had failed to demonstrate any prejudice resulting from the absence of a hearing before cognizance and, therefore, the cognizance order should not be disturbed.

Hon'ble Supreme Court' Decision

The Hon'ble Supreme Court rejected the contentions advanced by ED and allowed the appeal.

The Hon'ble Court held that the issue was no longer *res integra* in view of the earlier decisions in Tarsem Lal, Yash Tuteja and Kushal Kumar Agarwal. These judgments conclusively established that once a complaint is filed under Section 44(1)(b) of the PMLA, the procedural provisions governing complaint cases under the CrPC, and now the BNSS, become applicable because there is no inconsistency between those provisions and the PMLA.
Rejecting the arguments of counsel for ED regarding absence of prejudice, the Hon'ble Court held that failure to comply with the mandatory requirement of hearing the accused is not a mere procedural irregularity but a fundamental illegality that vitiates the entire cognizance order.

Consequently, the Hon'ble Supreme Court set aside both the judgment of the Hon'ble High Court, and the cognizance order dated 2 July 2024. The matter was remanded to the Special Court with a direction to proceed afresh from the stage of cognizance after granting the appellant an opportunity of hearing and to complete the exercise within eight weeks.

The first proviso to Section 223(1) of the BNSS, which mandates that the accused must be heard before cognizance is taken on a complaint, is a substantive and mandatory safeguard applicable to complaints under Section 44(1)(b) of the PMLA. Any cognizance taken without complying with this requirement is void and liable to be set aside. Further, mere filing or registration of a complaint does not constitute an "inquiry" for the purposes of the saving clause under Section 531(2)(a) of the BNSS.

[9] (2024) 7 SCC 61
[10] (2024) 8 SCC 465
[11] 2025 SCC OnLine SC 1221

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