NEWSLETTER Weekly

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SECURITITES AND EXCHANGE BOARD OF INDIA

1. **Ease of Doing Business – Relaxation in certification requirement for Persons Associated with Investment Advice (PAIA) – Sales and other non-core services.**

   SEBI has issued a circular relaxing the certification requirements for Persons Associated with Investment Advice (PAIA) who perform only sales and other non-core services as part of its ease of doing business initiative. While Regulation 7 of the SEBI (Investment Advisers) Regulations, 2013 requires PAIA to obtain NISM certification, SEBI has introduced a lighter certification requirement for staff such as sales personnel, relationship managers, and others who interact with clients but are not directly involved in providing investment advice. Such personnel must now pass the NISM Series-XXV-B: Persons Associated with Investment Advice (Sales and Other Non-Core Services) Certification Examination. PAIA involved in investment advisory functions will continue to require the NISM Series-X-A (Level 1) and Series-X-B (Level 2) certifications. Existing PAIA already holding the Level 1 and Level 2 certifications need not immediately obtain the new certification and may do so upon expiry of their current certifications. The circular takes immediate effect.

   For more information, you can access the SEBI circular here:
   https://www.sebi.gov.in/legal/circulars/jun-2026/ease-of-doing-business-relaxation-in-certification-requirement-for-persons-associated-with-investment-advice-paia-sales-and-other-non-core-services_102385.html

MINISTRY OF FINANCE

1. **DRI busts firecracker smuggling syndicate, seizes Chinese origin firecrackers worth Rs. 35 crores in operations at Chennai and Mumbai; 12 persons arrested.**

   In a continued crackdown against the illicit import of hazardous contraband, the Directorate of Revenue Intelligence (DRI) has successfully foiled two attempts to smuggle Chinese-origin fireworks and firecrackers into India through Chennai Port. In this operation, DRI officers intercepted two 40-foot containers originating from China, which were mis-declared as carrying "Trolley Bags" and "Sprayers". Upon detailed examination, the containers were found to be concealing around 46,000 pieces of firecrackers and fireworks, ingeniously hidden behind cover cargo. In another case, booked on the basis of intelligence developed by DRI, Chennai Customs unearthed a smuggling syndicate involving the clandestine removal of 18.7 MT of Chinese-origin firecrackers. Investigation revealed that the container carrying the contraband was illicitly taken out of the Container Freight Station (CFS) without Customs authorisation, the firecrackers were offloaded, and the container was subsequently brought back after being substituted with other cargo. The clandestine operation was facilitated through the active connivance of a CFS staff member. Two persons, including the involved CFS staff involved, have been arrested in the case.

   The import of firecrackers is 'Restricted' under the ITC (HS) Classification of the Foreign Trade Policy and requires valid licences from both the Directorate General of Foreign Trade (DGFT) and the Petroleum and Explosives Safety Organization (PESO) under the Explosives Rules, 2008. The illegal import of such hazardous goods poses serious risks to public safety, national security, port infrastructure, and the shipping and logistics ecosystem.

   For more information, you can access the GOI press release here:
   https://www.pib.gov.in/PressReleasePage.aspx?PRID=2278498&reg=3&lang=1

2. **DRI busts gold smuggling syndicate; seizes 15 kg foreign origin gold in operations at multiple locations; 15 persons arrested.**

In a major crackdown against smuggling of foreign origin gold, the Directorate of Revenue Intelligence (DRI) has successfully unearthed and dismantled a highly organized gold smuggling syndicate operating through Mumbai Airport. In this operation DRI detected and busted gold melting facility that was being used for melting of foreign origin smuggled gold. A total of nine persons involved across the entire smuggling chain, including the airport staff, her handler, three intermediaries, the melting facility operator, and three persons engaged in the melting process have been arrested. Further, about 6 kg foreign-origin smuggled gold recovered at the spot has been seized. This case underscores the evolving sophistication of organised gold smuggling syndicates, which increasingly exploit insider access at airports and employ layered distribution networks to evade detection. In another operation at Bengaluru, DRI seized 1.8 kg 24 KT gold in paste form ingeniously concealed within the layers of garments of an international passenger. Subsequent follow up search at his residential premises led to seizure of around 1.5 kg gold jewellery, 45 kg silver, and Indian & foreign currencies. The person was arrested. Earlier in this week, DRI has conducted a series of operations at other airports, railways station and land customs stations at Hyderabad, Rajkot, Calicut, Vishakhapatnam, Calicut, Guwahati and Petra pole, leading to the cumulative seizure of another 6 kg foreign-origin smuggled gold. Five persons have been arrested in these operations.

For more information, you can access the GOI press release here:
https://www.pib.gov.in/PressReleasePage.aspx?PRID=2278205&reg=3&lang=1

3. **DRI's efforts have resulted in seizure of 26 kg cocaine at multiple locations with arrest of 22 persons since May 2026.**

In continuation of its sustained efforts to curb drug trafficking and dismantle narcotics supply networks, the Directorate of Revenue Intelligence (DRI) today seized 2 kg cocaine at Surat and arrested one person involved in its illicit trafficking under the relevant provisions of NDPS Act, 1985. Beside this seizure, DRI has carried out a series of operations at various airports, railway stations, courier terminals, and highways in Mumbai, Delhi, Jaipur, Patna, Cochin, and Ahmedabad, and has cumulatively seized approximately 26 kg cocaine since last month. During these operations, 22 persons, including 14 foreign nationals, were arrested. The contraband was trafficked through various modus operandi such as ingestion (swallowing drug-filled capsules or pellets for internal concealment within the body), concealment in household and edible items, soaking them in fabrics, concealment in baggage etc. Through coordinated operations, DRI has consistently targeted organized syndicates engaged in the trafficking of narcotic drugs and psychotropic substances, contributing to the Government of India's vision of a Nasha Mukt Bharat (Drug free India). Every year, June 26 is observed as the International Day against drug abuse and illicit trafficking. Established by the United Nations in 1987, this day is dedicated internationally to strengthening global action, raising awareness about the devastating impacts of substance abuse, and combating the illegal drug trade.

For more information, you can access the GOI press release here:
https://www.pib.gov.in/PressReleasePage.aspx?PRID=2278227&reg=3&lang=1

MINISTRY OF CORPORATE AFFAIRS

1. **IEPFA Organises panel discussion on "Aapki Poonji Aapka Adhikaar – Learning and Way Forward"; Launches book: "Claiming the Unclaimed: Unlocking the Potential of Idle Financial Assets in India".**

The Investor Education and Protection Fund Authority (IEPFA), under the Ministry of Corporate Affairs, Government of India, organised a panel discussion on "Aapki Poonji Aapka Adhikaar – Learning and Way Forward" at the Samarasta Auditorium, Dr. Ambedkar International Centre, New Delhi, on June 22, 2026. The programme brought together policymakers, regulators, experts and investor awareness advocates to deliberate on strengthening investor rights, facilitating the reclamation of unclaimed financial assets, and charting the way forward for a more inclusive financial ecosystem. A publication named "Claiming the Unclaimed: Unlocking the Potential of Idle Financial Assets in India" unveiled by Ms. Deepti Gaur

Mukerjee, Chairperson, IEPFA and Secretary, Ministry of Corporate Affairs, along with other distinguished dignitaries. The book is intended to serve as a comprehensive knowledge resource for policymakers, researchers, financial institutions, and investors, while contributing to the national discourse on investor protection and financial inclusion. The panel discussion on "Aapki Poonji Aapka Adhikaar – Learning and Way Forward" explored key challenges and opportunities in improving awareness about unclaimed assets, streamlining claim processes, and strengthening stakeholder collaboration. The discussion highlighted the need for greater outreach, technology-driven solutions, and coordinated efforts among regulators, financial institutions, and investor protection agencies.

For more information, you can access the GOI press release here:
https://www.pib.gov.in/PressReleasePage.aspx?PRID=2277114&reg=3&lang=1

INSOLVENCY AND BANKRUPTCY BOARD OF INDIA

1. **Mantra Group secures ₹2,000 crore Worli project through NCLT resolution.**

Pune-based Mantra Group has secured a stalled real estate project in Worli with a development potential of ₹2,000 crore through the corporate insolvency resolution process (CIRP) initiated at the National Company Law Tribunal (NCLT). The project was earlier acquired by Siddhi Raj Developers. It had been stalled for over a decade as the group's promoter, Jagdish Ahuja, could not complete it and also ran into litigation with landowners. Some of the units had been sold to homebuyers, the company noted in a statement issued on Friday. The CIRP was initiated at the NCLT in 2023. The initial phases witnessed 20 players submitting their resolution plans for the project. On June 19, the NCLT passed an order appointing Mantra as the 'successful resolution applicant', accepting its resolution plan to complete the project. The project's stakeholders include 576 families from the Maharashtra Housing and Area Development Authority (MHADA) layout and 300 homebuyers. The Worli project represents Mantra Group's third acquisition in Mumbai within the last year, following project acquisitions in Jogeshwari and Mulund. Collectively, the three developments offer an estimated development potential of nearly ₹7,500 crore.

For more information, you can access the article here:
https://www.business-standard.com/industry/news/mantra-group-secures-2-000-crore-worli-project-through-nclt-resolution-126062600914_1.html

2. **Anil Ambani moves NCLAT against personal insolvency proceedings.**

Industrialist Anil Ambani has approached the appellate tribunal NCLAT, filing an appeal against the initiation of personal insolvency against him by the NCLT over the petition filed by public sector lender SBI. The Mumbai bench of the National Company Law Tribunal had on June 11, admitted a plea filed by the State Bank of India, seeking personal insolvency against Ambani over default of loans by his group firms - Reliance Communications (RCOM) and Reliance Infratel Ltd (RITL). He was the personal guarantor of the loans extended to his group firms. Ambani's petition came for a hearing before a two-member bench comprising Justice Mohd Faiz Alam Khan and Barun Mitra. However, it was adjourned following the request from his lawyer. "Having regard to the request made by Ld. Counsel for the appellant, list this matter on July 10, 2026, before the appropriate bench," said the NCLAT order dated June 24, 2026.

For more information, you can access the article here:
https://www.business-standard.com/industry/news/anil-ambani-moves-nclat-against-personal-insolvency-proceedings-126062501100_1.html

RESERVE BANK OF INDIA

1. **Master Direction – Reserve Bank of India (Credit Derivatives) Directions, 2026.**

The Reserve Bank of India has issued the Master Direction — Reserve Bank of India (Credit Derivatives) Directions, 2026, effective June 25, 2026, under sections 45W and 45U of the RBI Act, superseding the 2022 framework. The Directions regulate credit derivatives in both OTC markets and on recognized stock exchanges, authorizing transactions in single-name CDS, CDS on eligible indices, total return swaps (TRS) and futures on credit indices, while setting out detailed definitions, permissible reference assets, settlement types (cash, physical, auction) and cross-references to FEMA, SEBI, IRDAI and PFRDA rules. FIMMDA is tasked with specifying market conventions and establishing a Credit Derivatives Determinations Committee to make binding factual determinations and define settlement procedures. The Directions set eligibility and participation rules: market-makers include specified scheduled commercial banks, standalone primary dealers, NBFCs in upper/middle layers (including HFCs) and certain development banks, and at least one counterparty to any OTC trade must be a market-maker or an RBI-authorized central counterparty. Users are classified by market-makers as retail or non-retail, with retail (non-individual) users restricted to hedging purposes; market-makers may not offer CDS/TRS to individuals. FPIs face specific quantitative and product restrictions — aggregate CDS protection sold by FPIs is capped at 5% of outstanding corporate bonds, physical-settlement holdings count against FPI corporate bond limits (with specified exceptions), and FPIs cannot sell protection referencing money-market instruments, instruments with residual maturity under one year, or bonds with call/put options exercisable within one year. Operational, prudential and compliance obligations are substantial: market-makers must maintain documented, robust mark-to-market valuation methods, ensure contract standardization and direct-claim structures, and avoid prohibited clauses (unilateral cancellation, delayed payments, recourse). OTC trades must be reported to CCIL within 30 minutes and CCIL will publish daily outstanding notionals by instrument; exchanges require prior RBI approval for product design and must follow SEBI operational rules. TRS cross-border rules require fully funded structures when non-residents are total-return receivers, and TRS notional to non-residents counts under corporate bond investment limits. Regulators remain empowered to request information, publish anonymized data, and take enforcement action (including temporary suspension from the market) for violations.

For more information, you can access the RBI notification here:
https://www.rbi.org.in/Scripts/NotificationUser.aspx?Id=13552&Mode=0

2. Modification of Returns / Reporting requirements under FEMA, 1999.

The Reserve Bank of India has revised reporting requirements under FEMA by rationalising certain returns and prescribing modified formats pursuant to the Foreign Exchange Management (Authorised Persons) Regulations, 2026. Revised formats are provided in the Annex to the circular. Key changes include updating FLM-8 to capture write-offs of foreign currency notes and removing the prior RBI approval requirement for write-offs exceeding USD 2,000; entities maintaining Nostro accounts and reporting via FETERS are exempt from submitting FLM-8. Authorised Persons with franchisee arrangements must now submit a quarterly list within 15 days of quarter-end, and Indian Agents under the Money Transfer Service Scheme (MTSS) must submit quarterly lists of Sub-Agents within the same timeline. Several legacy reporting obligations have been discontinued: prescribed register formats FLM-1 to FLM-7 are removed (though FFMCs and non-bank AD Cat-II entities must still maintain full transaction records for inspection), the quarterly statement on foreign currency accounts opened from export proceeds of foreign currency notes/encashed traveller's cheques is discontinued, and MTSS requirements for a separate List of Additional Locations, quarterly confirmation of published lists, and the Statement of Collateral return have been withdrawn (Indian Agents must still ensure collateral adequacy). The Master Directions on Money Changing Activities and on Reporting under FEMA will be updated to reflect these changes. The circular is issued under sections 10(4) and 11(1) of FEMA, 1999, and does not affect other statutory permissions.

For more information, you can access the RBI notification here:
https://www.rbi.org.in/Scripts/NotificationUser.aspx?Id=13550&Mode=0

3. RBI issues Final directions on Trade Receivables Discounting System (TReDS).

The Reserve Bank of India (RBI) has today issued Reserve Bank of India (Trade Receivables Discounting System) Directions, 2026. RBI had placed the draft Reserve Bank of India (Trade Receivables Discounting System) Directions, 2026 on April 08, 2026, in the public domain for stakeholder feedback. The draft Directions proposed, inter alia –

a. rationalisation and harmonisation of the existing regulatory framework for TReDS;

b. removal of the requirement of due diligence for MSME sellers; and

c. revision of the capital requirements applicable to TReDS operators.

Feedback from the public has been examined and suitably incorporated in the final directions. The final Directions prescribe the appropriate requirements for an efficient functioning of TReDS while providing the authorised entities flexibility to frame operational and procedural guidelines in accordance with the extant regulatory framework. These Directions shall come into effect immediately, unless indicated otherwise therein.

For more information, you can access the RBI press release here:
https://www.rbi.org.in/scripts/BS_PressReleaseDisplay.aspx?prid=62997

4. **Indicative Calendar of Market borrowings by State Governments/ Union Territories for the Quarter July – September 2026.**

With an objective to enhancing transparency and providing greater clarity to the investors, Reserve Bank introduced the Benchmark Issuance Strategy (BIS) on a pilot basis from Q1: FY 2026-27 involving nine states, viz., Andhra Pradesh, Bihar, Chhattisgarh, Kerala, Madhya Pradesh, Maharashtra, Rajasthan, Telangana, and Uttar Pradesh. The strategy involves issuing securities in specific benchmark tenor buckets as per the pre-announced calendar. Based on experience gained so far and concurrence received from another nine States and one Union Territory, the BIS framework is being extended to Delhi, Himachal Pradesh, Jharkhand, Manipur, Meghalaya, Odisha, Punjab, Sikkim, Uttarakhand, and West Bengal, starting from Q2: FY 2026-27. In consultation with 18 States and Union Territory of Delhi which have adopted BIS, the indicative calendar for their market borrowing during the quarter July – September 2026 has been prepared. The calendar for market borrowing for remaining states/UTs, prepared in consultation with the respective State Government/UTs, is given at Annex 2. Going forward, these states/UTs are also expected to adopt BIS. The quantum of total market borrowings by the State Governments/UTs for the quarter July – September 2026, is expected to be ₹3,18,816 crore. The actual amount of borrowings and the details of the States/UTs participating would be intimated by way of press releases two/ three days prior to the actual auction day and would depend on the requirement of the State Governments/UTs, approval from the Government of India under Article 293(3) of the Constitution of India and the prevailing market conditions. Reserve Bank would endeavour to conduct the auctions in a non-disruptive manner, taking into account the market conditions and other relevant factors and distribute the borrowings evenly throughout the quarter. Reserve Bank reserves the right to modify the dates and the amount of auction in consultation with the respective State Governments/UTs.

For more information, you can access the RBI notification here:
https://www.rbi.org.in/scripts/BS_PressReleaseDisplay.aspx?prid=63029

5. **Premature redemption under Sovereign Gold Bond (SGB) Scheme - Redemption Price for premature redemption of SGB 2020-21 Series-III due on June 16, 2026.**

In terms of GOI notification F.No.4(4)-B(W&M)/2020 dated April 13, 2020 (SGB 2020-21 Series-III-Issue date June 16, 2020) on Sovereign Gold Bond Scheme, premature redemption of Gold Bond may be permitted after fifth year from the date of issue of such Gold Bond on the date on which interest is payable. Accordingly, the next due date of premature redemption of the above tranche shall be on June 16, 2026. Further, the redemption price of SGB shall be based on simple average of closing price of gold of 999 purity of previous three business days from the date of redemption, as published by the India Bullion and Jewellers Association Ltd (IBJA). Accordingly, the redemption price for premature redemption due on June 16, 2026, shall be ₹14,774/- (Rupees Fourteen Thousand Seven Hundred and Seventy Four Only) per unit of SGB based on the simple average of closing price of gold for the three business days i.e., June 11, June 12, and June 15, 2026.

For more information, you can access the RBI press release here:
https://www.rbi.org.in/scripts/BS_PressReleaseDisplay.aspx?prid=62937

6. **Performance of Private Corporate Business Sector during 2025-26.**

The Reserve Bank of India released aggregate financials of 4,278 listed non-government non-financial (NGNF) private companies for 2025-26 (with 2024-25 comparators) showing an acceleration in sales growth to 10.1% driven largely by a rebound in manufacturing. Manufacturing sales rose 10.8% (led by autos, electrical machinery, food & beverages and chemicals), while IT sales grew 7.9% and non-IT services continued double-digit expansion, supported by wholesale & retail trade. Petroleum remained in contraction. Detailed sector- and industry-level tables and charts are available on the RBI data portal; explanatory notes and a glossary (with some revised definitions) accompany the release. Cost and profitability dynamics varied across sectors. Manufacturing faced input-cost pressure—raw material expenses rose 12.0% and the raw-material-to-sales ratio increased to 57.6%—yet operating profit growth improved to 10.3% and operating margins declined modestly (-30 bps). Non-IT services saw decelerating operating profit growth (7.1%) and a larger margin compression (-210 bps), while IT firms improved margins (+50 bps) and operating profit (10.7%). Interest coverage improved for manufacturing (ICR 9.1 from 7.9) and remained unchanged at 2.2 for non-IT services; CCIL and other tables provide ratio breakdowns by size and industry for legal, compliance and corporate advisory review.

For more information, you can access the RBI press release here:
https://www.rbi.org.in/scripts/BS_PressReleaseDisplay.aspx?prid=63008

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