



NEWSLETTER *Weekly*

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MINISTRY OF FINANCE

1. UPI Continues to Remain Free for Peer-to-Peer Transactions and 96% of Merchant Transactions.

The new UPI framework introduced has no impact on any person-to-person transactions. UPI will continue to remain completely free for all person-to-person transactions, irrespective of the amount transferred. Payments to merchants up to ₹2,000, along with transactions covered under the zero-MDR framework for small merchants, will also remain free. Consequently, approximately 96% of all P2M transactions will remain unaffected. MDR will apply only to specified merchant transactions above ₹2,000. It is clarified that MDR is neither a tax nor a charge collected by the Government or NPCI. It is distributed among payment ecosystem participants, including banks and payment application providers, to support the operation and continued expansion of the UPI ecosystem. Introduced under the Payment and Settlement Systems Act, 2007, following detailed deliberations by the UPI Steering Committee, the framework seeks to ensure the long-term sustainability of UPI while protecting individuals and small merchants from additional charges.

For more information, you can access the GOI press release here:

<https://www.pib.gov.in/PressReleaseDetail.aspx?PRID=2310586®=3&lang=1>

2. CBIC and its field formations gear up for Special Campaign 6 from 2nd October to 31st October, 2026.

The Central Board of Indirect Taxes and Customs (CBIC), along with all its Zones, Directorates and field formations, is actively participating in Special Campaign 6, being conducted from 2nd October to 31st October, 2026, to institutionalise cleanliness and reduce pendency in Government offices. All formations have been sensitised to participate actively and to undertake the campaign in a focused and meaningful manner. Special Campaign 6 builds on the successful efforts made by CBIC during Special Campaign 5.0. During the previous campaign, CBIC achieved 100 per cent of its targets in respect of identified cleanliness sites, references received from Members of Parliament, public grievances and public grievance appeals. The campaign also witnessed extensive action for review and weeding out of physical files, freeing up of office space and disposal of scrap. During Special Campaign 5.0, 41,055 physical files were reviewed and 23,743 files were weeded out. The campaign also resulted in the freeing up of 43,009 square feet of office space and disposal of 22,728 kg of scrap, including 8,801 kg of e-waste in accordance with the E-Waste (Management) Rules, 2022. CBIC formations also undertook the safe destruction of approximately 250 kg of narcotic drugs and psychotropic substances and about 26 lakh foreign-origin cigarettes and e-cigarettes and allied items.

For more information, you can access the GOI press release here:

<https://www.pib.gov.in/PressReleaseDetail.aspx?PRID=2312281®=3&lang=1>

MINISTRY OF CORPORATE AFFAIRS

1. IICA's Meet the Legend Programme Explores 'PMLA-IBC Interface'.

The Indian Institute of Corporate Affairs (IICA), Manesar, under its 'Meet the Legend' programme, recently hosted an engaging session for the 8th Post Graduate Insolvency Programme (PGIP) cohort. The lecture on "PMLA-IBC Interface: Emerging Bonhomie" was delivered by Mr. Balesh Kumar, Hon'ble Member, Appellate Tribunal (PMLA, FEMA, PBPTA, NDPSA and SAFEMA), Government of India. Welcoming the dignitary, Mr. Gyaneshwar Kumar Singh, Director General & CEO, IICA, emphasised the importance of strengthening the interface between the Insolvency and Bankruptcy Code (IBC), 2016 and the Prevention of

Money Laundering Act (PMLA), 2002. He highlighted Section 32A of the IBC, noting that despite its precise drafting, harmonised implementation continues to face challenges. Mr. Kumar provided an extensive overview of the PMLA framework, explaining the stages of money laundering—Placement, Layering and Integration—and the relevance of hawala transactions in financial investigations. He discussed key provisions including Sections 3, 4, 5, 8, 44 and 45, illustrating their practical implications through judicial precedents. Special focus was placed on the PMLA–IBC interface, particularly the complexities when corporate debtor assets face attachment under PMLA during insolvency resolution.

For more information, you can access the GOI press release here:

<https://www.pib.gov.in/PressReleaseDetail.aspx?PRID=2312782®=3&lang=1>

2. IICA hosts important session on ‘IBC as an Evolving Law Through the Amendments’.

Under the “Meet the Legend” programme, the Indian Institute of Corporate Affairs (IICA), Manesar, hosted an insightful session on “IBC as an Evolving Law Through the Amendments” featuring Dr. M. S. Sahoo, former Chairperson of the Insolvency and Bankruptcy Board of India (IBBI) and a well-known figure in the development and evolution of the Insolvency and Bankruptcy Code (IBC). The session commenced with a warm welcome and the setting of the context by Shri Gyaneshwar Kumar Singh, DG & CEO, IICA, who highlighted the importance of learning directly from distinguished practitioners and thought leaders who have contributed significantly to the evolution of India's insolvency ecosystem. Dr. M. S. Sahoo provided the participants with a comprehensive perspective on the evolution of the IBC through successive amendments and regulatory developments. Drawing upon his extensive experience, he discussed the concept of experimentation in economic laws, emphasising that economic legislation must continuously evolve in response to changing market realities. He highlighted that markets evolve much faster than litigation can keep pace with, making subordinate legislation and regulatory mechanisms important instruments for responding to emerging situations.

For more information, you can access the GOI press release here:

<https://www.pib.gov.in/PressReleaseDetail.aspx?PRID=2312783®=3&lang=1>

3. Ministry of Corporate Affairs all geared up for upcoming Special Swachhta Campaign 6.0.

Building on this momentum of successfully completing over 90% of the targets under Special Campaign 5.0 last year, the Ministry of Corporate Affairs (MCA) is actively preparing for Special Campaign 6.0 in the current year. The upcoming phase of Special Campaign 6.0 will focus on influencing more citizens and enhancing governance through better digital workflows, institutionalized e-waste management, and modern waste-to-wealth practices. The Ministry reaffirms its commitment to maintaining a clean, sustainable, and transparent work environment for improved public governance. Last year, the MCA had announced the successful completion of Special Campaign 5.0, achieving/ acting upon more than 90% targets in workplace cleanliness, office space optimization, and pending PMO/MP references, Assurances, CPGRAMs etc. The efforts of the Ministry were not limited to Special Campaign 5.0 only, continuous cleanliness, plantation and health checkup drives along with improved record management have been conducted across all offices, establishing sustainable sanitation practices and freeing up critical working space through effective scrap disposal.

For more information, you can access the GOI press release here:

<https://www.pib.gov.in/PressReleaseDetail.aspx?PRID=2310983®=3&lang=1>

INSOLVENCY AND BANKRUPTCY BOARD OF INDIA

1. Supertech insolvency: NCLAT raises concern over delay in appointing IRP.

Appellate Insolvency Tribunal NCLAT has raised concerns over construction major NBCC's delay in meeting deadlines set for resumption of work at Supertech Ltd's stalled housing projects. Besides, a three-member bench has also pulled up the authorities over the delay in appointing an interim resolution professional (IRP) for the realty firm, which is currently going through the Corporate Insolvency Resolution Process (CIRP). The National Company Law Appellate Tribunal (NCLAT) has directed NCLT and the

Insolvency and Bankruptcy Board of India (IBBI) to suggest names within a week. "We have been informed that an application for appointment of the IRP has been dealt with by the NCLT, and IBBI is directed to suggest the names. Let the said process be completed within a week from today," the NCLAT said on Friday. The IRP, once named, is also required to head the Apex Court Committee overseeing the stalled Supertech projects and chair the Project-Wise Court Committee, the appellate tribunal noted. The NCLAT, in its 5-page interim order, also noted slippages by state-run construction major NBCC in meeting deadlines set out in its earlier order dated May 6, 2026, for resumption of construction work at Supertech's projects.

For more information, you can access the article here:

https://www.business-standard.com/companies/news/supertech-insolvency-nclat-raises-concern-over-delay-in-appointing-irp-126092000167_1.html

2. ED chief orders action against IBC frauds, large haircuts to promoters.

ED director Rahul Navin has directed agency sleuths to step up action in IBC fraud cases involving "large haircuts" that allow promoters to re-acquire assets, and to take alternative steps in cases where police do not register an FIR at its request. Both issues recently made news after a special National Company Law Tribunal (NCLT) bench barred Essel Group chairman Subhash Chandra from alienating his properties and issued notices to all parties in a case over a proposed settlement that would allow creditors to recover Rs 6.5 crore from his personal estate against claims of Rs 22,006 crore. The CBI later booked Chandra in this instance. On the delay in police FIRs, especially in Opposition-ruled states, the ED has sent multiple communications under Section 66(2) of the PMLA, asking police departments to file a criminal case based on its findings, but has found a gap. The agency recently asked the Kerala director general of police to file a case against former chief minister Pinarayi Vijayan and his family members, and the Congress government said it was looking at the legal merits presented by the ED. Similar requests were made in Tamil Nadu, Karnataka and a few other states. The Enforcement Directorate chief also asked the investigators to fast-track "high-profile" trials to secure speedy convictions under the Prevention of Money Laundering Act (PMLA). He directed them to file "committal" applications before courts to transfer the trial from a regular court to the special PMLA court, allowing both the predicate offence and the money laundering offence to be tried together, reducing delay. Navin issued the directives during the two-day quarterly conference of ED officers, which concluded at the IIM-Bangalore on Tuesday.

For more information, you can access the article here:

<https://economictimes.indiatimes.com/news/india/ed-chief-orders-action-against-ibc-frauds-large-haircuts-to-promoters/articleshow/134267733.cms>

RESERVE BANK OF INDIA

1. Reserve Bank of India (Commercial Banks – Know Your Customer) Amendment Directions, 2026.

The Reserve Bank of India has issued the Reserve Bank of India (Commercial Banks – Know Your Customer) Amendment Directions, 2026, with immediate effect, to extend an existing KYC documentation facility from Non-Resident Indians (NRIs) and Persons of Indian Origin (PIOs) to Foreign Portfolio Investors (FPIs). Under the amended paragraph 5(1)(v) of the RBI (Commercial Banks – KYC) Directions, 2025, while banks must ordinarily compare copies of officially valid documents (including Aadhaar, where offline verification is unavailable) with originals and record such comparison, in the case of NRIs, PIOs, and now FPIs, banks may alternatively accept an original certified copy of the document. Such certification may be done by any one of the specified authorities: authorised officials of overseas branches of Indian scheduled commercial banks; branches of overseas banks with which Indian banks have relationships; a Notary Public abroad; a Court Magistrate; a Judge; or the Indian Embassy/Consulate General in the customer's country of residence. The amendment is issued under multiple statutory powers, including the Banking Regulation Act, Payment and Settlement Systems Act, FEMA, and the PMLA Rules, reinforcing alignment with anti-money laundering obligations while easing onboarding for eligible non-resident and foreign investor customers.

For more information, you can access the RBI notification here:

<https://www.rbi.org.in/scripts/NotificationUser.aspx?Id=13699&Mode=0>

2. Premature redemption under Sovereign Gold Bond (SGB) Scheme - Redemption Price for premature redemption of SGB 2019-20 Series IV due on September 17, 2026.

In terms of GoI notification F.No. 4(7)-B(W&M)/2019 dated May 30, 2019 (SGB 2019-20 Series IV - Issue date September 17, 2019) 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 September 17, 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 September 17, 2026, shall be ₹15,173/- (Rupees Fifteen Thousand One Hundred and Seventy-Three Only) per unit of SGB based on the simple average of closing price of gold for the three business days i.e., September 16, September 15, and September 11, 2026.

For more information, you can access the RBI press release here:

https://www.rbi.org.in/scripts/BS_PressReleaseDisplay.aspx?prid=63604

3. Survey on Computer Software and Information Technology Enabled Services Exports: 2025-26.

The Reserve Bank has released the data related to the 2025-26 round of its annual survey on computer software and information technology enabled services (ITES) exports. The survey collects details on India's exports of software services {computer services and ITES/business process outsourcing (BPO) services} as per type of activity, on-site/off-site nature of services, country of destination and modes of supply. For 2025-26 round of the survey, 7,569 software export companies were contacted, of which 2,363 companies, including most of the large companies, responded. The participating companies together accounted around 89 per cent of total estimated software services exports.

Highlights:

- The India's exports of software services (excluding their sales through overseas commercial presence) increased by 8.2 per cent (y-o-y) during 2025-26 to US\$ 221.4 billion.
- Computer services continued to account for over two-thirds of India's total software services exports during the year; BPO services remained the dominant component of IT enabled services (ITES) exports.
- Private limited companies dominated 2025–26 software exports with 9.3 per cent growth.
- The United States of America remained the major software exports destination with a share of 54.1 per cent, followed by European countries (31.8 per cent) where United Kingdom had major share.
- The US dollar was the principal invoicing currency for India's software exports, followed by the euro, the rupee, and the pound sterling.
- Software services exports primarily delivered through off-site mode (91.7 per cent share).
- Total software export services, including services delivered by foreign affiliates of Indian companies, increased by 9.5 per cent during 2025-26 and stood at US\$ 239.3 billion.
- The local software business by foreign affiliates of Indian companies increased to US\$ 17.9 billion in 2025-26 from US\$ 13.9 billion in the previous year, with the USA and the UK remained the major destinations.

For more information, you can access the RBI press release here:

https://www.rbi.org.in/scripts/BS_PressReleaseDisplay.aspx?prid=63625

You may send your suggestions at niyati@asalegal.in

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