The Monthly Messenger

Edition #05.26 May 2026

S N Dhawan & CO LLP
Chartered Accountants

The Monthly messenger

India | Regulatory News

Frequently Asked Questions (FAQs) on the Companies Compliance Facilitation Scheme, 2026 (CCFS-2026)- 22 April 2026

The Ministry of Corporate Affairs (MCA) has issued a set of Frequently Asked Questions (FAQs) to provide further clarity on the Companies Compliance Facilitation Scheme, 2026 (CCFS-2026). The CCFS-2026 is a one-time compliance scheme effective from **15 April 2026 to 15 July 2026**, aimed at providing an opportunity for companies to regularize past non-compliances.

Under the scheme, companies are permitted to file overdue statutory documents, including Annual Returns Financial Statements and certain other specified e-forms by paying concessional additional fees, thereby easing the compliance burden and encouraging timely filings.

For more information, **click here**

Relaxation from the applicability of SEBI Master Circular for compliance with the provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 on non-compliance with the Minimum Public Shareholding (MPS) requirements- 7 April 2026

The Securities and Exchange Board of India (SEBI), vide its circular dated 7 April 2026, has granted a **one-time relaxation** from the penal provisions prescribed under the SEBI Master Circular dated 11 July 2023, in relation to non-compliance with Minimum Public Shareholding (MPS) requirements under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

This relaxation has been provided pursuant to the representations from an industry body highlighting practical challenges faced by listed entities in meeting MPS requirements, on account of capital market volatility arising from ongoing geopolitical tensions in the Middle East.

SEBI has directed stock exchanges and depositories not to initiate or continue penal actions including levy of fines, freezing of promoter shareholding, and other consequential actions. The relaxation applies where compliance with MPS requirements falls due between 1 April 2026 and 30 September 2026. Any actions already initiated during this period are also to be withdrawn.

The circular is effective immediately.

For more information, **click here**

Reserve Bank of India (RBI) issues Draft Directions for 'Trade Receivables Discounting System'- 8 April 2026

The Reserve Bank of India (RBI) has released draft directions for the Trade Receivables Discounting System (TReDS) as part of its Statement on Developmental and Regulatory Policies dated 8 April 2026.

Micro, Small and Medium Enterprises (MSMEs) are a critical component of India's economic framework but often face liquidity constraints due to delays in realization of trade receivables. To address this, the RBI had earlier introduced the Trade Receivables Discounting System (TReDS) framework to facilitate financing of receivables of MSME sellers. RBI has released these draft directions following a comprehensive review of the existing TReDS guidelines.

The RBI has invited comments and feedback from regulated entities, stakeholders, and the public on the draft framework by 1 May 2026.

For more information, **click here**

Reserve Bank of India (RBI) issues Directions on Asset Classification, Provisioning, and Income Recognition for Commercial Banks- 27 April 2026

The Reserve Bank of India (RBI) has issued final Directions on Asset Classification, Provisioning, and Income Recognition applicable to commercial banks.

Earlier, the RBI had released the draft framework titled Reserve Bank of India (Commercial Banks – Asset Classification, Provisioning and Income Recognition) Directions, 2025 on 7 October 2025 for stakeholder feedback. Based on the feedback received, the RBI has now finalized the Directions.

A key highlight of the revised framework is the introduction of the Expected Credit Loss (ECL) approach for recognition of credit impairment and provisioning, aligning the regulatory framework more closely with global best practices. Consequent to the issuance of these Directions 13 Amendment Directions have been notified; and One Repeal Direction has been issued.

These Directions shall be effective from 1 April 2027.

For more information, **click here**

IRDAI Information and Cybersecurity Guidelines, 2026- 8 April 2026

The Insurance Regulatory and Development Authority of India (IRDAI) has issued revised guidelines on Information and Cyber Security framework applicable to regulated entities in the insurance sector. The updated guidelines have been introduced in response to evolving cyber threat landscape, feedback from industry participants and recommendations of various IRDAI committees. These guidelines aim to further strengthen cybersecurity frameworks across the insurance industry.

The 2026 Guidelines supersede the earlier guidelines dated 24 April 2023, reflecting updated regulatory expectations.

For more information, **click here**

Obligatory Cession for the Financial Year 2026-27- 17 April 2026

The Insurance Regulatory and Development Authority of India (IRDAI) has issued a notification prescribing the obligatory cession for the financial year 2026-27, applicable to Indian Re-insurers and other applicable insurers as per the provisions of Section 101A of the Insurance Act, 1938.

As per the requirement of the notification, the percentage cession of the sum insured on each general insurance policy to be reinsured with the Indian Re-insurer (GIC Re) shall be 4% in respect of insurance attaching during the financial year beginning from 1 April 2026 to 31 March 2027, except the terrorism premium and premium ceded to nuclear pool wherein it shall be 'Nil'. The notification also includes terms & conditions with respect to notice of information on cession, percentage of commission on obligatory cession for different classes of business and profit commission sharing with the ceding insurer.

For more information, **click here**

Frequently Asked Questions (FAQs) on Interplay and Transition from the Income Tax Act, 1961 to the Income Tax Act, 2025

The Central Board of Direct Taxes (CBDT) has released a compendium of Frequently Asked Questions (FAQs) to address key issues arising from the interplay and transition from the Income-tax Act, 1961 to the Income-tax Act, 2025, which is scheduled to come into force from 1 April 2026.

These FAQs aim to systematically address critical queries and concerns that taxpayers and professionals are likely to encounter during this transition phase. The document, inter alia, covers aspects such as the treatment of pending proceedings, continuity of TDS compliance, filing of returns for Assessment Year 2026–27, and the status of pending appeals.

The compendium seeks to provide clear, practical, and scenario-based guidance while remaining firmly anchored in the applicable statutory framework.

For more information, **click here**

Income-tax Rules, 2026 - Including Tabular Mapping of Rules and Forms vis-à-vis Income-tax Rules, 1962 and Forms- March 2026

The Direct Tax Committee (DTC) along with the International Taxation Committee of Institute of Chartered Accountants of India (ICAI) has released a publication titled "Income-tax Rules, 2026 including Tabular Mapping of Rules and Forms vis-à-vis Income-tax Rules, 1962 and Forms". This publication has been issued in the context of the implementation of the new Income-tax regulatory framework effective **1 April 2026**.

This publication provides a detailed **tabular mapping** of the new **Income-tax Rules, 2026** with the erstwhile **Income-tax Rules, 1962**, including corresponding forms. The publication serves as a practical guide for professionals navigating the transition from the 1962 Rules to the 2026 framework.

For more information, **click here**