



THE BEGUR BULLETIN

PE & VC, M&A AND STARTUPS

JANUARY - MARCH 2026

QUARTERLY REGULATORY UPDATE



WELCOME TO THE BEGUR BULLETIN!

We are pleased to present the **2026 Quarterly Edition of the Begur Bulletin**, a curated regulatory round-up tailored for private equity, venture capital, and M&A professionals, as well as founders navigating India's dynamic regulatory landscape.

This edition provides a clear, concise overview of the **key legal and policy developments during first quarter year 2026** affecting:

- Private Equity and Venture Capital
- Mergers & Acquisitions
- Startup Operations and Fundraising

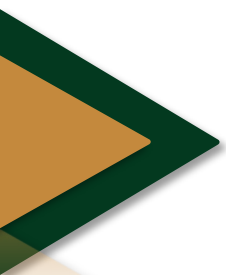
Beyond tracking regulatory updates, we analyze their practical implications for stakeholders, providing contextual insights for fund managers, legal advisors, limited partners, and startup founders.

In this *quarterly edition*, we track significant legal and regulatory shifts across the private equity and venture capital, mergers and acquisitions, and startup ecosystem, while assessing their real-world impact on market participants and deal execution.

We value your feedback and suggestions. For any inputs on improving the Begur Bulletin, we'd love to hear from you on communications@begurs.com. Your insights help us enhance this platform.

Enjoy reading, here's to staying informed, compliant, and capital-ready!

- Team Begur





MINISTRY OF CORPORATE AFFAIRS (“MCA”)

1. COMPANIES COMPLIANCE FACILITATION SCHEME, 2026 (CCFS-2026): ONE-TIME AMNESTY FOR PENDING ANNUAL FILINGS

The MCA *vide* General Circular No. 01/2026 dated February 24, 2026 (F.No. Policy-02/2/2020-CL-V), has introduced the Companies Compliance Facilitation Scheme, 2026 (CCFS-2026), a one-time compliance window allowing companies to regularize pending statutory annual filings at substantially reduced additional fees.

Key Amendment:

This scheme provides a one-time amnesty window for companies to regularize pending statutory annual filings by paying significantly reduced additional fees.

- a) **Scheme period:** April 15, 2026 to July 15, 2026;
- b) **Applicability:** For the companies with pending ROC annual filings

B&P View: CCFS-2026 offers a time-bound opportunity for companies to regularize pending statutory filings at reduced cost. Stakeholders should avail this window to address compliance gaps and mitigate potential regulatory exposure and penalties.

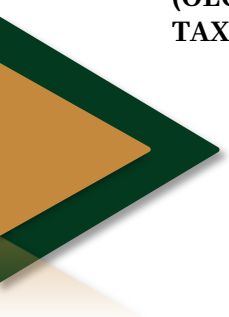
2. COMPANIES (ACCOUNTING STANDARDS) AMENDMENT RULES, 2026: ALIGNMENT WITH ORGANIZATION FOR ECONOMIC CO-OPERATION AND DEVELOPMENT (OECD) PILLAR TWO GLOBAL MINIMUM TAX

MCA, *vide* Notification No. G.S.R. 169(E) dated March 10, 2026, has notified the Companies (Accounting Standards) Amendment Rules, 2026, amending Accounting Standard (AS) 22 on "Accounting for Taxes on Income" under the Companies (Accounting Standards) Rules, 2021, in exercise of powers under Section 133 read with Section 469 of the Companies Act, 2013, in consultation with the National Financial Reporting Authority (NFRA). The amendment came into force on March 12, 2026 (date of publication in the Official Gazette).

B&P View: The amendment introduces OECD Pillar Two into India’s framework, adding disclosure requirements subject to due diligence scrutiny. PE/VC funds should assess portfolio impact and ensure FY 2025–26 compliance, particularly for large MNE entities.

3. CORPORATE LAWS (AMENDMENT) BILL, 2026: INTRODUCTION OF WIDE-RANGING REFORMS ACROSS COMPANIES ACT AND LLP FRAMEWORK

The Corporate Laws (Amendment) Bill, 2026, introduced in the Lok Sabha, proposed significant amendments to the Companies Act, 2013 and the Limited Liability Partnership Act, 2008, aimed at enhancing ease of doing business, strengthening governance, liberalising restructuring processes, and expanding the IFSC ecosystem.





Key Amendments:

I. Companies Act, 2013:

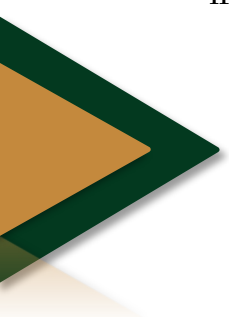
- a) **Small Company Thresholds:** Paid-up capital increased to INR 20 crore and turnover to INR 200 crore.
- b) **Share Capital & ESOPs:** Expanded to include value-linked schemes under private placements and ESOP frameworks.
- c) **Buy-back Reforms:** Enhanced limits, allowance of two buy-backs annually, removal of declaration of facts requirement, and increased penalties.
- d) **CSR Rationalisation:** Threshold raised to INR 10 crore, extended timelines for fund transfer, higher penalties, and exemption for prescribed classes.
- e) **General Meetings:** Introduction of hybrid/virtual AGMs and EGMs with reduced notice timelines for virtual meetings.
- f) **NFRA Overhaul:** Transformation into an autonomous regulator with enhanced enforcement powers and mandatory auditor registration.
- g) **Board Meetings:** Reduced frequency requirement for certain companies to once annually.
- h) **Fast-Track Merger:** Lowered creditor approval threshold (75%) and streamlined approval process.
- i) **Valuation Framework:** IBBI appointed as valuation authority with appellate mechanism to NCLAT.

II. Limited Liability Partnership Act, 2008:

- a) **IFSC LLP Framework:** Mandatory disclosure of financial service objects for IFSC LLPs.

- b) **Valuation Alignment:** Applicability of Companies Act valuation regime to LLPs.
- c) **Reduced Compliance:** Annual reporting allowed for SEBI/IFSCA-regulated LLPs.
- d) **Foreign Currency Filings:** Allowed for specified IFSC LLPs.
- e) **Adjudication Mechanism:** Introduction of penalty adjudication framework and decriminalisation transition.

B&P View: The Bill is a significant modernization of India's corporate law regime, balancing compliance ease with stronger governance and oversight. Liberalized merger norms, valuation reforms, and LLP parity measures are particularly relevant for PE/VC structures, while enhanced regulatory scrutiny on auditors and governance frameworks will require initiative-taking compliance alignment.





RESERVE BANK OF INDIA ("RBI")

1. RBI NOTIFIES FOREIGN EXCHANGE MANAGEMENT (EXPORT OF GOODS & SERVICES) (AMENDMENT) REGULATIONS, 2025

The RBI, vide Press Release No. 2025-2026/1824 dated January 1, 2026, issued the RBI (Non-Banking Financial Companies – Concentration Risk Management) Amendment Directions, 2026, refining the concentration risk framework applicable to NBFCs with respect to high-quality infrastructure project lending.

Key Amendments:

- a) **High-Quality Infrastructure Classification [Para 4(4)]:** The amendment adds a proviso to Para 4(4) specifying conditions for classifying certain infrastructure loans as "high-quality," enabling more favorable concentration risk treatment for such exposures.
- b) **Effective Date:** The amended provisions apply when NBFCs implement capital adequacy amendment directions, or from April 1, 2026, whichever is earlier.

B&P View: The amendment benefits infrastructure-focused NBFCs and PE funds by improving capital treatment for qualifying infrastructure loans. Funds investing in sectors like roads, renewable energy, and urban infrastructure should reassess portfolios against revised criteria to avail preferential risk treatment, potentially enhancing capital efficiency and

improving overall returns on infrastructure lending.

2. RBI NOTIFIES ITS PAYMENT VISION 2028

The RBI, vide Press Release dated December 6, 2024, has issued the Payment Vision 2028, setting out a strategic roadmap to further strengthen and expand India's digital payments ecosystem.

The vision emphasizes innovation, security, global outreach, and financial inclusion, while ensuring robustness and resilience of payment systems.

Key Proposals:

- a) **Global Expansion:** Promotion of international adoption of India's payment systems, including Unified Payments Interface (UPI) and RuPay.
- b) **Innovation & Infrastructure:** Focus on emerging technologies such as CBDCs, offline payments, and AI-led solutions.
- c) **Security & Risk Management:** Strengthening fraud prevention and cybersecurity frameworks.
- d) **Financial Inclusion:** Deepening digital payment penetration across rural and underserved regions.
- e) **Regulatory Oversight:** Enhanced governance and supervision of payment ecosystem participants.



SECURITIES AND EXCHANGE BOARD OF INDIA ("SEBI")

1. SEBI MASTER CIRCULAR- COMPLIANCE WITH SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 BY LISTED ENTITIES

SEBI, vide Master Circular dated January 30, 2026, has issued a consolidated Master Circular governing all compliance obligations for listed entities under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (LODR Regulations). This circular replaces and consolidates all prior circulars issued under the LODR framework.

Key Amendments:

- a) **Consolidated Compliance Framework:** LODR compliance circulars unified into a single Master Circular for streamlined reference.
- b) **Related Party Transactions (RPTs):** Restated disclosure and approval norms with timelines and formats.
- c) **Promoter & Shareholder Disclosures:** Updated thresholds and obligations for promoters and large shareholders.
- d) **Board Governance & Committees:** Consolidated norms on board composition, independent directors, and committee functions.

B&P View: PE and VC funds with significant stakes in listed companies must review the Master Circular, focusing on RPT and shareholder disclosure provisions. The consolidated format aims to assist compliance planning for investor relations

and governance teams overseeing multiple listed investee companies. The circular clarifies post-IPO lock-in and shareholding disclosure obligations for PE-backed promoters.

2. SEBI MASTER CIRCULAR – SOCIAL STOCK EXCHANGE (SSE) FRAMEWORK & SOCIAL IMPACT FUND THRESHOLD REDUCTION

SEBI, vide Master Circular No. HO/49/14/14(6)2025-CFD-PoD1/I/2771/2026 dated January 19, 2026, consolidated all existing circulars governing the Social Stock Exchange (SSE) framework.

Additionally, in the 213th Board Meeting held on March 23, 2026, SEBI approved the reduction of the minimum investment threshold in Social Impact Funds (SIFs) under the SSE framework from INR 2 lakh to INR 1,000 to facilitate wider retail participation.

Key amendments:

- a) **SSE Master Circular – January 19, 2026:** The Master Circular consolidates the regulatory framework for NPO registration, Zero Coupon Zero Principal (ZCZP) instrument issuance, disclosure and impact reporting obligations, and the structure of the SSE Governing Council. It also clarifies which prior circulars are rescinded.
- b) **Minimum Investment Threshold – Board Decision, March 23, 2026 (Para 3 of PR 18/2026):** The minimum investment amount for individuals in Social Impact Funds has been reduced from INR 2 lakh to



INR 1,000, aligning SIF application sizes with other social instruments and enabling retail participation in the SSE ecosystem.

c) Eligibility: The SSE framework covers NPOs (not-for-profit organizations), for-profit social enterprises, social auditors, and stock exchanges. Charitable societies and public trusts were earlier made eligible under the ICDR (Second Amendment) Regulations, 2025.

d) Additional noteworthy Clarifications: The Master Circular also introduces or reinforces:

- Standardization of impact metrics to improve comparability across issuers.
- Enhanced due diligence norms for onboarding entities.
- Continuous disclosure obligations, including annual impact reports.
- Ring-fencing of funds to ensure end-use alignment with stated social objectives.
- Monitoring mechanisms for misuse or deviation from intended impact.

B&P View: The Social Stock Exchange presents an emerging funding avenue for impact-focused startups and social enterprises.

The reduction in minimum investment to INR 1,000 significantly broadens the potential retail investor base for SIFs, enhancing capital availability for investee entities. Fund managers exploring impact investing mandates and DPIIT-recognized startups with social objectives should assess eligibility for the SSE framework, given the simplified consolidated circular now in place.





PRESS INFORMATION BUREAU ("PIB")

1. A DECADE OF STARTUP INDIA: ECOSYSTEM EXPANSION

The Ministry of Commerce & Industry (via DPIIT), vide Press Release ID 2214872 dated January 15, 2026, highlighted the progress of the Startup India initiative over the past decade and its contribution to India's innovation ecosystem. The release notes that India now has over 2 lakh DPIIT-recognized startups, with expansion across Tier II and Tier III cities. It further emphasizes policy support through funding access, incubation, and ease of doing business measures.

B&P View: The scale of the startup ecosystem reflects strong deal flow potential for PE/VC funds, with increased geographic diversification and maturity of investment opportunities across sectors.

2. GOVERNMENT REVISES STARTUP RECOGNITION FRAMEWORK TO STRENGTHEN STARTUP INDIA ACTION PLAN:

The Ministry of Commerce & Industry (via DPIIT), vide Press Release ID 2224069 dated February 05, 2026, revised the criteria for startup recognition under the Startup India initiative.

Key Amendments:

- a) Increase the turnover threshold from ₹100 crore to ₹200 crore.
- b) Introducing a separate category for Deep Tech Startups.

- c) Extend eligibility period up to 20 years and turnover threshold up to ₹300 crore

B&P View: The expanded eligibility significantly widens the investable universe, particularly for deep tech and capital-intensive ventures, encouraging long-term PE/VC participation.

3. CABINET APPROVES STARTUP INDIA FUND OF FUNDS 2.0 TO MOBILIZE VENTURE CAPITAL FOR INDIA'S STARTUP ECOSYSTEM

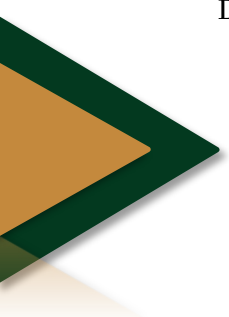
The Ministry of Commerce & Industry (via DPIIT), vide Press Release ID 2227994 dated February 14, 2026, approved the Startup India Fund of Funds 2.0 with a corpus of ₹10,000 crore.

The scheme aims to catalyze venture capital investment in sectors such as deep tech, manufacturing, and early-growth stage startups, through SEBI-registered Alternative Investment Funds.

B&P View: This initiative is expected to deepen India's VC ecosystem by mobilizing institutional capital and bridging funding gaps in high-risk, innovation-led sectors.

4. POLICY REFORMS THAT TRANSFORMED BUSINESS ENVIRONMENT

The Ministry of Commerce & Industry, vide Press Release ID 2235433 dated March 05,





2026, outlined ongoing reforms to strengthen the startup ecosystem. The release highlights that over 2.16 lakh startups are recognised as of February 2026 and emphasises measures aimed at easing capital raising, reducing compliance burden, and improving the regulatory environment for businesses.

B&P View: Continued regulatory easing and policy support are likely to enhance investment efficiency and help smoother deal execution for PE/VC funds and startup stakeholders.

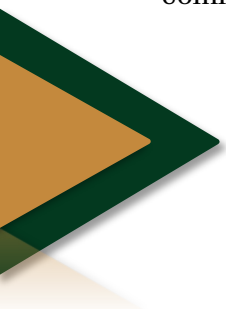
5. STARTUP INDIA RECOGNIZES 2.07 LAKH VENTURES, CREATES 21.9 LAKH JOBS; GOVT EXPANDS FUNDING PUSH THROUGH FLAGSHIP SCHEMES

The Ministry of Commerce & Industry (via DPIIT), vide Press Release ID 2227597 (March 2026), reiterated the implementation of key startup funding schemes including the Fund of Funds for Startups (FFS) and the Startup India Seed Fund Scheme (SISFS).

The FFS operates by channeling capital into SEBI-registered Alternative Investment Funds (AIFs), which in turn invest in high-potential startups, thereby leveraging private sector expertise and amplifying capital deployment. Meanwhile, SISFS directly supports early-stage ventures by providing seed funding for proof of concept, product development, market entry, and commercialization.

These initiatives aim to provide capital support to early-stage startups and improve access to institutional funding.

B&P View: Strengthening early-stage funding mechanisms ensures a robust pipeline of scalable startups, enhancing opportunities for venture capital deployment and long-term value creation.





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Latest Awards and Recognitions

RSGI Resight (RSG India)

IBLJ A List

A List (2023-2024)

ALB India Law Awards 2025

Notable Firm (2024)

Legal 500

Private Equity (Including Venture Capital) - Tier 5 (2025)

IFLR1000 (34th Edition) 2024

1. Rajesh Begur B Ranking: Leading Lawyer – Highly Regarded
2. Firm Ranking: Recommended Firm
3. Southern Asia, Australasia and Central Asia Ranking: Highly Regarded

Corporate INTL Global Awards

Cross Border Private Equity Transactions Law Firm of the Year in India - 2025

Forbes India – Legal Powerlist 2023

Top Law Firm (above 10 years' experience)

Asia Law 2022

Notable Firm – Private Equity, Investment Funds, Banking and Finance, Corporate and M&A

Global Law Expert 2021

Cross Border Private Equity Transactions Law Firm of the year

RSG Consulting 2019

Top 40 Indian Law Firm

