



NEWSLETTER ^{Weekly}

Volume-CXXVIII, Issue-II, Dated: 10th March, 2025

SECURITIES AND EXCHANGE BOARD OF INDIA

1. Relaxation in timeline for reporting of differential rights issued by AIFs.

Securities and Exchange Board of India (SEBI) has extended the timeline for Alternative Investment Funds (AIFs) to comply with reporting requirements related to differential rights issued under their schemes. Initially mandated to be submitted by February 28, 2025, the deadline has been extended to March 31, 2025, following requests from the AIF industry for additional time. This one-time reporting requirement applies to AIFs whose Private Placement Memorandums (PPMs) were filed with SEBI on or after March 1, 2020, and where issued differential rights deviate from implementation standards established by the Standard Setting Forum for AIFs. This circular, effective immediately, aims to ease compliance while safeguarding investor interests and promoting market development. It is issued under Section 11(1) of the SEBI Act, 1992, and related AIF regulations. For detailed information, refer to the circular available on SEBI's website under "Legal Framework – Circulars" and "Info for – Alternative Investment Funds."

For more information, you can access the SEBI circular here:

https://www.sebi.gov.in/legal/circulars/mar-2025/relaxation-in-timeline-for-reporting-of-differential-rights-issued-by-aifs_92411.html

MINISTRY OF FINANCE

1. Department Of Financial Services (DFS) Hosts a Post Budget Webinar on Theme "Regulatory, Investment, And Ease of Doing Business (EODB) Reforms"

In a post-budget webinar, Union Finance Minister Smt. Nirmala Sitharaman emphasized the government's commitment to fostering global economic partnerships, using technology to strengthen traditional sectors, and boosting India's export potential. She assured that the government will ensure the timely implementation of all 2025-26 budget announcements, building on a strong track record of fulfilling past promises. Key progress includes the increase in MUDRA loan limits under the Tarun category from Rs. 10 lakh to Rs. 20 lakh, the successful rollout of the new MSME Credit Assessment Model by 11 PSBs to existing customers and 7 to new customers, and the opening of 21 new SIDBI branches in MSME clusters as part of the 2024-25 budget.

For more information:

<https://pib.gov.in/PressReleasePage.aspx?PRID=2108360>

2. DRI busts major gold smuggling racket with seizure of 14.2 kg foreign-origin gold worth Rs. 12.56 crore and other assets worth Rs. 4.73 crore

On March 3, 2025, DRI officers intercepted a 33-year-old Indian woman arriving in Bengaluru from Dubai, finding 14.2 kg of gold bars concealed on her person, valued at Rs. 12.56 crore. Following this, a search at her Bengaluru residence led to the seizure of gold jewelry worth Rs. 2.06 crore and cash amounting to Rs. 2.67 crore. The woman was arrested under the Customs Act, 1962, and remanded to judicial custody. The total seizure amounted to Rs. 17.29 crore, marking a major blow to organized gold smuggling networks and one of the largest gold seizures at Bengaluru International Airport in recent times.

For more information:

<https://pib.gov.in/PressReleasePage.aspx?PRID=2108270>

3. In mid sea operation, DRI and Indian Coast Guard intercept a vessel en-route to Maldives; seize 30 kg Hashish Oil worth ₹33 crore

DRI officers developed specific intelligence and identified a tug vessel towing a barge laden with rock boulders, which had departed from Tuticorin Old Port. It was revealed that a gang based in Tuticorin covertly loaded significant quantities of Hashish Oil onto the barge mid-sea during its voyage to the Maldives, with the assistance of a crew member from the vessel.

At the behest of the DRI, the Indian Coast Guard intercepted the vessel on March 5, 2025, in mid-sea off the Kanyakumari coast and escorted it back to Tuticorin New Port by March 7, 2025.

For more Information:

<https://pib.gov.in/PressReleasePage.aspx?PRID=2109621>

4. Union Finance Minister and MoS, Finance launch the New Credit Assessment Model for MSMEs as announced in Union Budget 2024-25

In a post-Budget interaction in Vishakhapatnam, Union Finance Minister Smt. Nirmala Sitharaman and Minister of State for Finance Shri Pankaj Chaudhary launched a new Credit Assessment Model for MSMEs. This model, announced in the Union Budget 2024-25, enables Public Sector Banks (PSBs) to assess MSMEs' creditworthiness based on their digital footprints, rather than relying on external assessments. It uses verifiable digital data, including PAN, GST, bank statements, and credit history, to automate and streamline the loan appraisal process. Benefits for MSMEs include online application submissions, reduced paperwork, faster loan processing, and no physical collateral requirements for loans under CGTMSE.

For more information:

<https://pib.gov.in/PressReleasePage.aspx?PRID=2108812>

MINISTRY OF CORPORATE AFFAIRS

1. IICA Inaugurates Certified ESG Professional – Impact Leader Programme (Batch-IV)

Ministry of Corporate Affairs (MCA), Government of India, inaugurated Batch IV of the IICA Certified ESG Professional – Impact Leader Programme today in a virtual ceremony. This flagship initiative serves as a vital platform for building ESG leadership and regulatory expertise, equipping professionals with the skills necessary to integrate and imbibe the spirit of responsible business conduct and investment strategies into the DNA of businesses.

For more information:

<https://pib.gov.in/PressReleasePage.aspx?PRID=2109651>

RESERVE BANK OF INDIA

1. 29th Meeting of the Standing Advisory Committee to Review the Flow of Credit to MSMEs held by Reserve Bank of India.

The 29th Meeting of the Standing Advisory Committee (SAC) to review the flow of credit to Micro, Small and Medium Enterprises (MSME) sector was held in Ahmedabad, on March 3, 2025, under the chairmanship of Shri Swaminathan J, Deputy Governor, Reserve Bank of India. The meeting was attended by Executive Director, RBI, Senior Officials from Ministry of MSME and Department of Financial Services, Ministry of Finance, Government of India; Chairman, SIDBI, Senior Management of major banks and NABARD, senior executives of Credit Guarantee Fund Trust for Micro and Small Enterprises, National Credit Guarantee Trustee Company Limited, Khadi & Village Industries Commission, Indian Banks' Association, Finance Industry Development Council and MSME Associations. Deputy Governor, in his keynote address, underscored the pivotal role of the MSME sector in India's economic development. He reaffirmed the

Reserve Bank's commitment to strengthening institutional credit support through initiatives like the Unified Lending Interface (ULI), the Account Aggregator framework, and the Regulatory Sandbox. Acknowledging key challenges such as financial literacy gaps, information asymmetry, and delayed payments, he stressed the need for digital solutions, alternative credit assessment models, and greater participation in platforms like TReDS. Deputy Governor emphasized the importance of fair lending practices, ensuring transparency and an empathetic approach towards MSMEs facing financial distress. He also reiterated the crucial role of MSME associations in capacity building and bridging information gaps, to help MSMEs better access credit. During the meeting, the SAC reviewed the flow of credit to MSMEs and deliberated on ways to address the issues related to credit gap in the sector, cash flow based lending and digital solutions for improved credit linkage, accelerating adoption of TReDS, enhancing the usage of credit guarantee schemes and proactive revival and rehabilitation of MSMEs in financial distress, among others.

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

https://www.rbi.org.in/Scripts/BS_PressReleaseDisplay.aspx?prid=59888

2. RBI Announces Measures to Manage Liquidity Conditions.

On a review of current and evolving liquidity conditions, the Reserve Bank has decided to conduct the following operations to inject liquidity into the banking system:

- a. OMO purchase auctions of Government of India securities for an aggregate amount of ₹1,00,000 crore in two tranches of ₹50,000 crore each to be held on March 12, 2025 (Wednesday), and March 18, 2025 (Tuesday).
- b. USD/INR Buy/Sell Swap auction of USD 10 billion for a tenor of thirty-six months to be held on March 24, 2025 (Monday).

Detailed instructions for each operation shall be issued separately. The Reserve Bank will continue to monitor evolving liquidity and market conditions and take measures as appropriate to ensure orderly liquidity conditions.

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

https://www.rbi.org.in/Scripts/BS_PressReleaseDisplay.aspx?prid=59903

3. Governor, Reserve Bank of India meets select non-bank Payment System Operators and FinTechs at Mumbai on March 05, 2025.

Governor, Reserve Bank of India held an interaction with non-bank Payment System Operators and FinTechs along with their associations/SROs. The interaction was a part of the Reserve Bank's series of engagements with the Payments and Fintech ecosystem. The interaction was also attended by Deputy Governors Shri M. Rajeshwar Rao, Shri T. Rabi Sankar and Shri Swaminathan J., along with Executive Directors-in-Charge of Payments, Fintech and Regulation. The Governor, in his remarks, recognised the important role played by the FinTechs including the payment system players, account aggregators, digital lending service providers in the growth of India's financial system and economy. The Governor underscored the need for responsible innovation and emphasised the need for ensuring compliance by the entities who are new to regulatory space. He also emphasized that RBI values such interactions with the ecosystem participants and would continue to adopt a consultative approach. During the interactive session, the participants shared their feedback on the evolving payment and fintech ecosystem, various industry level initiatives and their expectations from the Reserve Bank.

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

https://www.rbi.org.in/Scripts/BS_PressReleaseDisplay.aspx?prid=59904

You may send your suggestions at niyati@asalegal.in

Disclaimer:

The content in this mail is offered only as updates in Financial, Capital Market, Corporate etc. sectors. This mail should not be used as a substitute for obtaining legal advice from an attorney licensed or authorized to practice in your jurisdiction. Nothing in this mail is intended to create an attorney-client relationship and nothing posted constitutes legal advice.

DELHI

3, Birbal Road, Ground & First Floor,
Jangpura Extension, New Delhi 110014.
Phone: +91-11-43108998, 45661440,
43552440, +91-11-24327050-52,
9311052521

MUMBAI

404-405, 4th Floor, Magnum Opus,
Near Grand Hyatt,
Behind Mudra Group,
Santacruz (East),
Mumbai – 400 055.
Phone: +91-22-62368654, 26661979

BENGALURU

1007, A-Wing, 10th Floor,
Mittal Tower, M.G. Road,
Bengaluru – 560001.
Phone: +91-80-48536504

AHMEDABAD

Office No.10, Business Centre,
5th Floor, Kalapurnam Complex,
Near Municipal Market,
C.G. Road, Navrangpura,
Ahmedabad-380009.
Phone: +91-079-66660888,
+91-9173660088