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NEWSLETTER *Weekly*

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SECURITIES AND EXCHANGE BOARD OF INDIA

1. Industry Standards on Key Performance Indicators (“KPIs”) Disclosures in the draft Offer Document and Offer Document.

Securities and Exchange Board of India (SEBI) has introduced industry standards for Key Performance Indicators (KPIs) disclosures in draft offer documents and offer documents. Developed by the Industry Standards Forum (ISF) under the guidance of stock exchanges, these standards involve representatives from industry associations such as ASSOCHAM, CII, and FICCI. The new framework aims to bring uniformity in the identification and disclosure of KPIs, ensuring compliance with the SEBI (Issue of Capital and Disclosure Requirements) Regulations, 2018 (ICDR Regulations). The guidelines apply to all draft offer documents and offer documents filed with SEBI or stock exchanges on or after April 1, 2025. Issuer companies and registered merchant bankers are required to adhere to these industry standards while making KPI disclosures. The stock exchanges and industry associations will publish the standards on their respective websites to facilitate compliance. SEBI has instructed stock exchanges to inform stakeholders about the new guidelines and ensure their implementation. This circular has been issued under the powers granted to SEBI under the SEBI Act, 1992, and the ICDR Regulations. The full circular is available on the SEBI website under the ‘Legal → Circulars’ section.

For more information, you can access the SEBI circular here:
https://www.sebi.gov.in/legal/circulars/feb-2025/industry-standards-on-key-performance-indicators-kpis-disclosures-in-the-draft-offer-document-and-offer-document_92380.html

2. Amendments and clarifications to Circular dated January 10, 2025 on Revise and Revamp Nomination Facilities in the Indian Securities Market.

Securities and Exchange Board of India (SEBI) has issued a circular (SEBI/HO/OIAE/OIAE_IAD-3/P/ON/2025/0027) on February 28, 2025, addressing amendments and clarifications to its earlier circular dated January 10, 2025, regarding revised nomination facilities for demat accounts and mutual fund folios. Key clarifications include provisions for transmitting assets in joint accounts upon a holder’s demise, opt-out mechanisms for nomination, and empowerment of nominees for account operations in cases of investor incapacitation. Amendments focus on transmission-related procedures, odd-lot share allocations, and modifications to nomination forms for compliance. SEBI has mandated that regulated entities must not seek KYC details from surviving joint holders during transmission unless previously requested. Phased implementation of provisions extends the timeline, with key dates for readiness and compliance stretching into November 2025. These changes aim to enhance investor rights, streamline processes, and ensure consistency in the Indian securities market.

For more information, you can access the SEBI circular here:
https://www.sebi.gov.in/legal/circulars/feb-2025/amendments-and-clarifications-to-circular-dated-january-10-2025-on-revise-and-revamp-nomination-facilities-in-the-indian-securities-market_92377.html

3. Regulatory framework for Specialized Investment Funds (‘SIF’).

Securities and Exchange Board of India (SEBI) has introduced a regulatory framework for Specialized Investment Funds (SIF) through amendments to the SEBI (Mutual Funds) Regulations, 1996. This initiative addresses the gap between Mutual Funds (MFs) and Portfolio Management Services (PMS) in terms of portfolio flexibility. SIF aims to provide an alternative investment vehicle for investors seeking a product with characteristics bridging these two options. The framework aligns with SEBI's segmented, risk-based regulatory approach, tailoring norms to investment size, investor profile, and product complexity. The guidelines, detailed in Annexure A of the circular, will take effect from April 1, 2025. By March 31, 2025, the Association of Mutual Funds in India (AMFI) will issue necessary guidelines and standards for SIF. Additionally, stock exchanges, clearing corporations, and depositories are instructed to prepare systems, amend relevant regulations, and ensure wide dissemination of the framework among market participants. This circular is issued under Section 11(1) of the SEBI Act, 1992, to safeguard investor interests and promote a well-regulated securities market. The notification is available on SEBI's website.

For more information, you can access the SEBI circular here:
https://www.sebi.gov.in/legal/circulars/feb-2025/regulatory-framework-for-specialized-investment-funds-sif-_92299.html

4. **Timelines for deployment of funds collected by Asset Management Companies (AMCs) in New Fund Offer (NFO) as per asset allocation of the scheme.**

Securities and Exchange Board of India (SEBI) has issued a circular setting timelines for Asset Management Companies (AMCs) to deploy funds collected through New Fund Offers (NFOs). Effective from April 1, 2025, AMCs must allocate funds within 30 business days from the date of unit allotment. If deployment is delayed, the AMC must provide written reasons to its Investment Committee, which may grant a one-time extension of another 30 business days after reviewing the cause of the delay. Failure to meet the mandated or extended timeline will result in restrictions, including a ban on accepting fresh investments in the scheme and the removal of exit load charges for investors withdrawing after 60 business days. Investors will also be informed about their right to exit without penalties. Trustees are tasked with monitoring compliance and ensuring timely deployment. Additionally, SEBI has introduced measures to prevent mis-selling by restricting distribution commissions on NFO switch transactions within the same AMC.

For more information, you can access the SEBI circular here:
https://www.sebi.gov.in/legal/circulars/feb-2025/timelines-for-deployment-of-funds-collected-by-asset-management-companies-amcs-in-new-fund-offer-nfo-as-per-asset-allocation-of-the-scheme_92270.html

5. **Industry Standards on Regulation 30 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.**

Securities and Exchange Board of India (SEBI) has introduced industry standards to streamline compliance with Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (LODR Regulations). The Industry Standards Forum (ISF), consisting of representatives from ASSOCHAM, CII, and FICCI under the guidance of stock exchanges, has formulated these standards in consultation with SEBI. The industry associations and stock exchanges will publish the standards on their websites for reference. All listed entities are required to adhere to these industry standards to ensure proper disclosure of material events or information. Stock exchanges must inform their listed entities about these requirements and ensure compliance. This initiative is aimed at improving transparency and facilitating ease of doing business.

For more information, you can access the SEBI circular here:
https://www.sebi.gov.in/legal/circulars/feb-2025/industry-standards-on-regulation-30-of-sebi-listing-obligations-and-disclosure-requirements-regulations-2015_92172.html

6. **Opening of Demat Account in the name of Association of Persons.**

Securities and Exchange Board of India (SEBI) has issued a circular allowing the opening of demat accounts in the name of an Association of Persons (AoP). This decision follows representations seeking such permissions and aims to enhance ease of doing business. Previously, demat accounts for AoPs were only permitted in the names of natural persons. Under the new provisions, AoPs can hold financial instruments like mutual fund units, corporate bonds, and government securities in dematerialized form, subject to specific conditions. The AoP must ensure compliance with statutes governing its constitution while subscribing to securities. The Permanent Account Number (PAN) details of the AoP and its Principal Officer—defined as a key administrative or managerial person—must be provided. Additionally, the demat account cannot be used to subscribe to or hold equity shares. In case of disputes, the Principal Officer will act as the AoP's legal representative, and all members will bear joint and several liability. Depositories are directed to implement necessary system updates, amend relevant rules, and inform market participants. The circular, issued under SEBI's regulatory authority, takes effect from June 2, 2025. It is available on SEBI's website under the "Legal Circulars" section.

For more information, you can access the SEBI circular here:
https://www.sebi.gov.in/legal/circulars/feb-2025/opening-of-demat-account-in-the-name-of-association-of-persons_92170.html

MINISTRY OF FINANCE

1. Auction for Sale (re-issue) of (i) '6.79% GS 2031' (ii) '6.92% GS 2039' and (iii) '7.09% GS 2054'Union Finance and Corporate Affairs Minister launches Mutual Credit Guarantee Scheme for MSMEs in Mumbai.

The Government of India has announced the re-issue of three dated securities:

a. 6.79% Government Security 2031
Notified Amount: ₹10,000 crore
Auction Date: February 28, 2025
Settlement Date: March 3, 2025
Repayment Date: December 30, 2031

b. 6.92% Government Security 2039
Notified Amount: ₹12,000 crore
Auction Date: February 28, 2025
Settlement Date: March 3, 2025
Repayment Date: November 18, 2039

c. 7.09% Government Security 2054
Notified Amount: ₹10,000 crore
Auction Date: February 28, 2025
Settlement Date: March 3, 2025
Repayment Date: August 5, 2054

The total notified amount for these auctions is ₹32,000 crore, with the government retaining the option to accept additional subscriptions of up to ₹2,000 crore for each security. The Reserve Bank of India (RBI) will conduct the auctions using the multiple price method. Both competitive and non-competitive bids should be submitted electronically via the RBI's Core Banking Solution (E-Kuber) system on the auction date. Non-competitive bids are to be submitted between 10:30 a.m. and 11:00 a.m., while competitive bids should be submitted between 10:30 a.m. and 11:30 a.m. The auction results will be announced on the same day, with successful bidders required to make payments on the settlement date. Additionally, up to 5% of the notified amount will be allocated to eligible individuals and institutions under the Scheme for Non-Competitive Bidding Facility in the Auction of Government Securities. These securities will also be eligible for "When Issued" trading from February 25, 2025, to February 28, 2025

For more information, you can access the GOI press release here:
https://pib.gov.in/PressReleasePage.aspx?PRID=2105901

2. **Unified Payments Interface (UPI) provides an opportunity to other countries to learn from the Indian experience - Professor Carlos Montes, Cambridge Business School.**

   In January 2025, India's Unified Payments Interface (UPI) achieved a record high, processing over 16.99 billion transactions valued at more than ₹23.48 lakh crore, marking the highest figures recorded in any month to date. This surge underscores UPI's pivotal role in India's digital payment ecosystem, contributing to 80% of retail payments nationwide. In the fiscal year 2023-24, UPI facilitated over 131 billion transactions, amounting to more than ₹200 lakh crore. As of January 2025, the UPI ecosystem comprises over 80 applications (including both bank apps and third-party providers) and 641 participating banks. This extensive network has made UPI the preferred mode of real-time payments for millions across the country. In the current fiscal year up to January 2025, Person-to-Merchant (P2M) transactions accounted for 62.35% of the total UPI volume, while Person-to-Person (P2P) transactions contributed 37.65%. Notably, 86% of P2M transactions were for amounts up to ₹500, highlighting UPI's widespread adoption for low-value payments. The success of UPI has garnered international attention. Professor Carlos Montes from Cambridge Business School noted that UPI offers other countries an opportunity to learn from India's experience, considering its significant impact on financial inclusion and transaction efficiency. Overall, these milestones reflect the remarkable expansion of India's digital payments landscape, with UPI at its core.

   For more information, you can access the GOI press release here:
   https://pib.gov.in/PressReleasePage.aspx?PRID=2106794

3. **Monthly review of accounts of the Government of India upto January, 2025 (FY2024-25).**

   The monthly account of the Government of India upto January, 2025, has been consolidated and reports published. The highlights are given below:-

   - The Government of India has received ₹24,00,412 crore (76.3% of corresponding RE 2024-25 of Total Receipts up to January, 2025 comprising ₹19,03,558 crore Tax Revenue (Net to Centre), ₹4,67,630 crore of Non-Tax Revenue and ₹29,224 crore of Non-Debt Capital Receipts. ₹10,74,179 crore has been transferred to State Governments as Devolution of Share of Taxes by Government of India up to this period which is ₹2,53,929 crore higher than the previous year.

   - Total Expenditure incurred by the Government of India is ₹35,69,954 crore (75.7% of corresponding RE 2024-25), out of which ₹28,12,595 crore is on Revenue Account and ₹7,57,359 crore is on Capital Account. Out of the Total Revenue Expenditure, ₹8,75,461 crore is on account of Interest Payments and ₹3,37,733 crore is on account of Major Subsidies.

   For more information, you can access the GOI press release here:
   https://pib.gov.in/PressReleasePage.aspx?PRID=2106950

MINISTRY OF CORPORATE AFFAIRS

1. **Ministry of Corporate Affair Organizes Prime Minister Internship Scheme (PMIS) Mela at Kolkata in collaboration with CII.**

   The Ministry of Corporate Affairs (MCA), in collaboration with the Confederation of Indian Industry (CII), organized the Prime Minister Internship Scheme (PMIS) Mela at the CII Suresh Neotia Centre of Excellence for Leadership in Salt Lake City, Kolkata. The event aimed to enlighten the youth about the plethora of internship opportunities available on the PM Internship portal and to facilitate meaningful engagement between industry representatives and aspiring interns.

   Event Highlights:

   Participation: The mela attracted over 900 youth from various districts of East India. Prominent companies offering internships under PMIS set up kiosks, allowing prospective interns to gain detailed insights into available opportunities, assess alignment with their career goals, and determine eligibility for potential roles.

Registration Assistance: Dedicated stations were established where attendees could register, complete their profiles, and apply for internships on the official PM Internship portal. Assistance was readily available at every stage to ensure a smooth experience for all participants.

Interactive Sessions: Multiple roundtable interactions were organized, where current PMIS interns engaged in fruitful discussions with MCA officials, sharing their experiences, key learnings, and challenges encountered. Five interns from various sectors, who had joined in Round 1 of the scheme, were felicitated for their exceptional performance.

PMIS Overview: Announced in the Union Budget 2024-25, the Prime Minister Internship Scheme aims to provide 12-month paid internships to individuals aged 21 to 24 who are not currently enrolled in any full-time academic program or employment. The scheme targets offering one crore internship opportunities over five years, with a specific goal of placing 1.25 lakh interns in the fiscal year 2024-25.

The pilot phase's Round 2 is currently underway, offering over 1 lakh internship opportunities across more than 740 districts in India. Notably, East India has more than 12,500 internship opportunities, with over 4,000 in West Bengal, making it a significant hub for youth seeking to enhance their skills and employability. Eligible youth can apply for these internships through the official PM Internship portal. The successful organization of the PMIS Mela in Kolkata underscores the government's commitment to empowering the youth by bridging the gap between industry requirements and young talent, thereby fostering a skilled and employable workforce.

For more information, you can access the GOI press release here:
https://pib.gov.in/PressReleasePage.aspx?PRID=2106229

2. **Indian Institute of Corporate Affairs (IICA) Hosts National Association of Impact Leaders (NAIL) Meet in Goa to Strengthen ESG Leadership in India.**

The Indian Institute of Corporate Affairs (IICA), under the Ministry of Corporate Affairs, Government of India, recently organized the National Association of Impact Leaders (NAIL) Meet in Goa, focusing on strengthening Environmental, Social, and Governance (ESG) leadership in India. The event was held under the esteemed guidance of Shri Ajay Bhushan Prasad Pandey, DG & CEO, IICA and Chairman, National Financial Reporting Authority (NFRA).

Event Highlights:

Participants: The meet brought together ESG professionals, industry leaders, and policymakers to discuss and promote sustainable business practices.

Discussions: Key topics included integrating ESG principles into corporate strategies, challenges in ESG implementation, and the role of leadership in driving sustainable initiatives.

Networking: The event provided a platform for professionals to exchange ideas, share best practices, and collaborate on future ESG projects.

About NAIL: The National Association of Impact Leaders (NAIL) is a community of IICA-trained and certified ESG professionals. It offers a platform for continuous professional development, knowledge exchange, and the promotion of best practices in the ESG domain across India.

IICA's ESG Initiatives: IICA's School of Business Environment has been proactive in promoting ESG through various initiatives, including the Certified ESG Professional: Impact Leader Program. This six-month online certification program aims to equip professionals with a comprehensive understanding of ESG principles and their application in the corporate sector.

The successful organization of the NAIL Meet in Goa underscores IICA's commitment to fostering a community of ESG leaders dedicated to promoting sustainable and responsible business practices in India. During the event, IICA also announced the 3rd edition of the flagship ESG annual conference of IICA, organized with support from the Ministry of Corporate Affairs, the National Conference on Responsible Business Conduct (NCRBC), scheduled to be held on the 2nd and 3rd of July 2025. Registrations for the event will open in March 2025.

For more information, you can access the GOI press release here:
https://pib.gov.in/PressReleasePage.aspx?PRID=2107494

RESERVE BANK OF INDIA

1. Review and rationalization of prudential norms - UCBs.

The Reserve Bank of India (RBI) has recently revised prudential norms for Urban Co-operative Banks (UCBs) to enhance their financial stability and operational flexibility. Key changes include a revised definition of small value loans, which now includes loans up to ₹25 lakh or 0.4% of Tier I capital, with a cap of ₹3 crore per borrower, to be achieved by March 31, 2026. Additionally, UCBs can finance up to 25% of their advances for residential mortgages in non-priority sectors, while exposure to the real estate sector, excluding housing loans, is capped at 5% of total loans. The provisioning requirements for investments in Security Receipts have been extended for two more years until FY2027-28. These revisions aim to reduce credit concentration risks and enhance financial resilience without compromising regulatory objectives.

For more information, you can access the RBI notification here:
https://www.rbi.org.in/Scripts/NotificationUser.aspx?Id=12785&Mode=0

2. Review of Risk Weights on Microfinance Loans.

The Reserve Bank of India (RBI) has clarified and revised certain risk weight regulations. For regulatory capital purposes, retail claims that meet specific criteria can be included in a regulatory retail portfolio (RRP) with a risk weight of 75%, but consumer credit, including personal loans, is excluded from this classification. The RBI had increased risk weights on consumer credit to 125%, excluding housing, education, vehicle loans, and gold-backed loans, but has now excluded microfinance loans from this higher risk weight, subjecting them to a 100% risk weight. Microfinance loans not classified as consumer credit can be included in the RRP if they meet the necessary criteria and banks implement appropriate policies. Additionally, all microfinance loans extended by Regional Rural Banks (RRBs) and Local Area Banks (LABs) will attract a risk weight of 100%.

For more information, you can access the RBI notification here:
https://www.rbi.org.in/Scripts/NotificationUser.aspx?Id=12786&Mode=0

3. Exposures of Scheduled Commercial Banks (SCBs) to Non-Banking Financial Companies (NBFCs) – Review of Risk Weights.

In terms of the circular 'Regulatory measures towards consumer credit and bank credit to NBFCs' dated November 16, 2023, the risk weight on the exposures of SCBs to NBFCs1 was increased by 25 percentage points (over and above the risk weight associated with the given external rating) in all cases where the extant risk weight as per external rating of NBFCs was below 100 per cent. On a review, it has been decided to restore the risk weights applicable to such exposures and the same shall be as per the external rating, as specified in Paragraph 5.8.1 of the 'Master Circular – Basel III Capital Regulations' dated April 1, 20242, as amended from time to time. The above instructions shall come into effect from April 01, 2025. All other instructions of the circulars ibid remain unchanged.

For more information, you can access the RBI notification here:
https://www.rbi.org.in/Scripts/NotificationUser.aspx?Id=12787&Mode=0

4. **Implementation of Section 51A of UAPA, 1967: Updates to UNSC's 1267/1989 ISIL (Da'esh) & Al-Qaida Sanctions List: Amendments in 01 Entry.**

The Reserve Bank of India (RBI) has issued guidelines in line with the United Nations Security Council (UNSC) sanctions list updates. Regulated Entities (REs) must ensure compliance with Section 51A of the Unlawful Activities (Prevention) Act, 1967, by not maintaining accounts for individuals or entities linked to terrorist activities. Recently, the UNSC removed certain entries from the ISIL (Da'esh) and Al-Qaida Sanctions List, and REs are advised to update their records accordingly. The RBI emphasizes strict adherence to procedures outlined in the UAPA Order dated February 2, 2021, as amended, and encourages REs to regularly check updated lists of sanctioned individuals and entities available on the UNSC website.

For more information, you can access the RBI notification here:
https://www.rbi.org.in/Scripts/NotificationUser.aspx?Id=12788&Mode=0

5. **Reporting and Accounting of Central Government transactions for March 2025.**

Please refer to Circular DGBA.GBD.No.S1217/42-01-029/2023-2024 dated March 13, 2024 advising the procedure to be followed for reporting and accounting of Central Government transactions including Central Board of Direct Taxes, Central Board of Indirect Taxes and Customs, Departmentalized Ministries and Non-Civil Ministries at the Receiving/Nodal/Focal Point branches of your bank for the Financial Year 2023-24. The Government of India has decided that the date of closure of residual transactions for the month of March 2025 be fixed as April 10, 2025. In view of the ensuing closing of Government accounts for the financial year 2024-25, receiving branches including those not situated locally, should adopt special arrangements such as courier service etc., for passing on challans/scrolls etc., to the Nodal/Focal Point branches so that all payments and collections made on behalf of Government towards the end of March are accounted for in the same financial year. These instructions regarding special messenger arrangements may please be informed to all branches concerned. As regards reporting of March 2025 transactions by Nodal/Focal Point branches in April 2025, the branches may be advised to follow the procedure as outlined in the Annex. To sum up, the Nodal/Focal Point branches will be required to prepare separate set of scrolls, one pertaining to March 2025 residual transactions and another for April transactions during the first 10 days of April 2025. The Nodal/Focal Point branches should also ensure that all transactions (revenues/tax collections/payments) at the receiving branches up to March 31, 2025 are affected in the accounts for the current financial year itself and are not mixed up with the transactions of April 2025. Also, while reporting transactions pertaining to March 2025 up to April 10, 2025, the transactions of April 2025 should not be mixed up with the residual transactions relating to March 2025.

For more information, you can access the RBI notification here:
https://www.rbi.org.in/Scripts/NotificationUser.aspx?Id=12789&Mode=0

6. **Renewal of the Bilateral Swap Arrangement between Japan and India.**

Japan and India renewed the Bilateral Swap Arrangement (BSA) effective today (Feb. 28, 2025). The Bank of Japan, acting as agent for the Minister of Finance of Japan, and the Reserve Bank of India signed the second Amendment and Restatement Agreement of the BSA. The BSA is a two-way arrangement where both authorities can swap their local currencies in exchange for the US Dollar. The size of the BSA remains unchanged, that is, up to 75 billion US Dollars. Japan and India believe that the BSA, which aims to strengthen and complement other financial safety nets, will further deepen financial cooperation between the two countries and contribute to regional and global financial stability.

For more information, you can access the RBI press release here:
https://www.rbi.org.in/Scripts/BS_PressReleaseDisplay.aspx?prid=59870

7. **Renewal of the Bilateral Swap Arrangement between Japan and India.**

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For more information, you can access the RBI press release here:
https://www.rbi.org.in/Scripts/BS_PressReleaseDisplay.aspx?prid=59870

8. **RBI imposes monetary penalty on The Hongkong and Shanghai Banking Corporation Limited.**

The Reserve Bank of India (RBI) has, by an order dated February 24, 2025, imposed a monetary penalty of ₹66.60 lakh (Rupees Sixty-Six Lakh Sixty Thousand only) on The Hongkong and Shanghai Banking Corporation Limited (the bank) for non-compliance with certain directions issued by RBI on 'Know Your Customer', 'Reporting of Information on Unhedged Foreign Currency Exposures of the Borrowers to Credit Information Companies' and 'Interest Rates on Deposits'. This penalty has been imposed in exercise of powers conferred on RBI under the provisions of Section 47 A(1)(c) read with Section 46(4)(i) of the Banking Regulation Act, 1949 and Section 25 (1) (iii) read with Section 23 (4) of The Credit Information Companies (Regulation) Act, 2005. The statutory Inspection for Supervisory Evaluation of the bank was conducted by RBI with reference to its financial position as on March 31, 2023. Based on supervisory findings of non-compliance with RBI directions and related correspondence in that regard, a notice was issued to the bank advising it to show cause as to why penalty should not be imposed on it for its failure to comply with the said RBI directions. After considering the bank's reply to the notice, additional submissions and oral submissions made during the personal hearing, RBI found, inter alia, that the following charges against the bank were sustained, warranting imposition of monetary penalty:

- The bank had outsourced the disposal / closure of AML alerts to a Group company;
- The bank did not report Unhedged Foreign Currency Exposures of certain borrowers to CICs; and
- The bank had opened savings deposit accounts in the name of certain ineligible entities.

The action is based on deficiencies in statutory and regulatory compliance and is not intended to pronounce upon the validity of any transaction or agreement entered into by the bank with its customers. Further, imposition of monetary penalty is without prejudice to any other action that may be initiated by RBI against the bank.

For more information, you can access the RBI press release here:
https://www.rbi.org.in/Scripts/BS_PressReleaseDisplay.aspx?prid=59878

9. **Sectoral Deployment of Bank Credit – January 2025.**

Data on sectoral deployment of bank credit for the month of January 20251 collected from 41 select scheduled commercial banks, accounting for about 95 per cent of the total non-food credit deployed by all scheduled commercial banks, are set out in Statements I and II. On a year-on-year (y-o-y) basis, non-food bank credit2 as on the fortnight ended January 24, 20253 grew at 12.5 per cent (a three-month high) as compared to 16.2 per cent for the corresponding fortnight of the previous year (January 26, 2024). Highlights of the sectoral deployment of bank credit3 are given below:

- Credit to agriculture and allied activities registered a growth of 12.2 per cent (y-o-y) as on the fortnight ended January 24, 2025 (20.0 per cent for the corresponding fortnight of the previous year).

- Credit to industry recorded a growth of 8.2 per cent (y-o-y) as on the fortnight ended January 24, 2025, compared with 7.5 per cent for the corresponding fortnight of the previous year. Among major industries, outstanding credit to 'petroleum, coal products and nuclear fuels', 'basic metal and metal product', 'chemicals and chemical products' and 'all engineering' recorded an accelerated growth.

- Credit growth to services sector moderated to 13.8 per cent (y-o-y) as on the fortnight ended January 24, 2025 (21.0 per cent for the corresponding fortnight of the previous year), with a decelerated growth in credit to 'non-banking financial companies' (NBFCs) and trade segments. However, credit growth (y-o-y) to 'computer software' accelerated.

- Credit to personal loans segment registered a growth of 14.2 per cent (y-o-y) as on the fortnight ended January 24, 2025, as compared with 18.2 per cent a year ago, largely due to decline in growth rate in 'other personal loans', 'vehicle loans' and 'credit card outstanding' segments

For more information, you can access the RBI press release here:
https://www.rbi.org.in/Scripts/BS_PressReleaseDisplay.aspx?prid=59874

10. Release of Handbook on "Regulations at a Glance"

The Reserve Bank had constituted the Regulations Review Authority 2.0 (RRA 2.0) in 2021 to review the regulatory prescriptions with a view to their simplification and ease of implementation. Based on detailed deliberation, RRA 2.0 finalized its report on June 10, 2022. One of the important recommendations of the RRA 2.0 report was: "Creation of Regulatory Handbook(s) containing regulations applicable to a set of Regulated Entities (REs) or on a particular subject may be explored by the regulatory departments. This would serve as a quick reference guide for the REs". Accordingly, the Department of Regulation (DoR) has compiled its regulatory instructions in an easily accessible handbook titled 'Regulations at a Glance' to provide a broad overview of the regulatory landscape across multiple dimensions of activities and entities. This handbook provides tabular summary of all major regulations issued by DoR and it has been organized in six chapters. The handbook is intended primarily for ease of reference and to provide a high-level overview of the regulations for general understanding. For specific details of the concerned regulations, readers are advised to refer to the respective regulations issued through circulars/Master Circulars/Master Directions from time to time. The handbook will be updated periodically.

For more information, you can access the RBI press release here:
https://www.rbi.org.in/Scripts/BS_PressReleaseDisplay.aspx?prid=59862

11. Withdrawal of ₹2000 Denomination Banknotes – Status.

The Reserve Bank of India (RBI) had announced the withdrawal of ₹2000 denomination banknotes from circulation vide Press Release 2023-2024/257 dated May 19, 2023. The status of withdrawal of ₹2000 banknotes is periodically published by the RBI. The last press release in this regard was published on February 03, 2025. The facility for deposit and / or exchange of the ₹2000 banknotes was available at all bank branches in the country up to October 07, 2023. The facility for exchange of the ₹2000 banknotes is available at the 19 Issue Offices of the Reserve Bank (RBI Issue Offices)1 since May 19, 2023. From October 09, 2023, RBI Issue Offices are also accepting ₹2000 banknotes from individuals / entities for deposit into their bank accounts. Further, members of the public are sending ₹2000 banknotes through India Post from any post office within the country, to any of the RBI Issue Offices for credit to their bank accounts. The total value of ₹2000 banknotes in circulation, which was ₹3.56 lakh crore at the close of business on May 19, 2023, when the withdrawal of ₹2000 banknotes was announced, has declined to ₹6,471 crore at the close of business on February 28, 2025. Thus, 98.18% of the ₹2000 banknotes in circulation as on May 19, 2023, has since been returned. The ₹2000 banknotes continue to be legal tender.

For more information, you can access the RBI press release here:
https://www.rbi.org.in/Scripts/BS_PressReleaseDisplay.aspx?prid=59883

You may send your suggestions at niyati@asalegal.in

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