



NEWSLETTER ^{Weekly}

Volume-CXXXIII, Issue-IV, Dated: 25th August, 2025

SECURITIES AND EXCHANGE BOARD OF INDIA

1. Extension of timeline for implementation of SEBI Circular ‘Margin obligations to be given by way of pledge/Re-pledge in the Depository System’ dated June 03, 2025.

The Securities and Exchange Board of India (SEBI) has extended the deadline for the implementation of its new circular on margin obligations. The circular, originally set to take effect on September 1, 2025, now has a new implementation date of October 10, 2025. SEBI’s decision came in response to representations from both the Central Depository Services (India) Limited (CDSL) and the National Securities Depository Limited (NSDL), which requested additional time. According to the depositories, the extension is necessary to complete system developments, conduct thorough end-to-end testing, and ensure a seamless transition for all market participants and investors. The circular, titled “Margin obligations to be given by way of pledge/Re-pledge in the Depository System,” aims to protect investors and regulate the securities market. SEBI has directed all stock exchanges, clearing corporations, and depositories to inform their members and participants of the new timeline, make necessary system and procedural changes, and amend their by-laws, rules, and regulations to ensure compliance with the new provisions. This directive is issued under the powers granted to SEBI by the Securities and Exchange Board of India Act, 1992.

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

https://www.sebi.gov.in/legal/circulars/aug-2025/extension-of-timeline-for-implementation-of-sebi-circular-margin-obligations-to-be-given-by-way-of-pledge-re-pledge-in-the-depository-system-dated-june-03-2025_96126.html

MINISTRY OF FINANCE

1. In a multi-city operation, DRI officials seize 119.4 kg of Alprazolam worth Rs. 23.88 crore at a clandestine manufacturing facility in Atchuthapuram, Anakapalli District, Andhra Pradesh; eight arrested.

The officers of Directorate of Revenue Intelligence from Hyderabad, Visakhapatnam, Vijayawada and Kakinada executed a swift and well-coordinated operation resulting in seizure of 119.4 kg Alprazolam in lumpy form, valued at approximately Rs. 23.88 crore in the illicit market, along with 87.8 kg in-process material. The DRI officials also apprehended eight persons involved in illegal manufacturing and distribution of Alprazolam, including the master-mind, chemists, financiers and the buyers at the same place. After developing a specific intelligence that a few persons were clandestinely manufacturing 'Alprazolam' — a psychotropic substance under the NDPS Act, 1985 — at a facility in Atchuthapuram, Anakapalli District, Andhra Pradesh, the DRI officials meticulously planned the operation to arrest the entire set of persons involved in manufacturing and distribution of Alprazolam. Additionally, 3,600 litres in liquid form and 311.6 kg in solid form of illegally procured raw materials, equipment (two reactors, one centrifuge and one drier) used for manufacturing Alprazolam and few incriminating documents were seized to aid further investigation. All the eight accused persons were arrested and remanded to judicial custody.

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

<https://www.pib.gov.in/PressReleasePage.aspx?PRID=2157741>

2. Auction for Sale (re-issue) of (i) ‘5.91% GS 2028’ and (ii) ‘6.33% GS 2035’.

The Government of India (GoI) has announced the sale (re-issue) of (i) “5.91% Government Security 2028” for a notified amount of ₹6,000 crore (nominal) through price based auction using multiple price method and (ii) “6.33% Government Security 2035” for a notified amount of ₹30,000 crore (nominal) through price

based auction using multiple price method. GoI will have the option to retain additional subscription up to ₹2,000 crore against each security mentioned above. The auctions will be conducted by the Reserve Bank of India, Mumbai Office, Fort, Mumbai on August 22, 2025 (Friday). Up to 5% of the notified amount of the sale of the securities will be allotted to eligible individuals and institutions as per the Scheme for Non-Competitive Bidding Facility in the Auction of Government Securities. Both competitive and non-competitive bids for the auction should be submitted in electronic format on the Reserve Bank of India Core Banking Solution (E-Kuber system) on August 22, 2025. The non-competitive bids should be submitted between 10:30 a.m. and 11:00 a.m. and the competitive bids should be submitted between 10:30 a.m. and 11:30 a.m.

For more information, you can access the GOI press release here:
<https://www.pib.gov.in/PressReleasePage.aspx?PRID=2157587>

3. DRI busts illicit drug manufacturing factory in Bhopal; seizes 61.2 kg Mephedrone worth ₹92 crore; seven held.

Acting on a specific intelligence, the Directorate of Revenue Intelligence (DRI) successfully busted a clandestine Mephedrone manufacturing facility in Bhopal, in a meticulously coordinated Op, code-named “Operation Crystal Break”. DRI carried out raids spanning multiple locations across Madhya Pradesh, Maharashtra, Gujarat and Uttar Pradesh, and apprehended seven key operatives of the syndicate. On 16.08.2025, a search of the illegal manufacturing facility at Gram-Jagdishpur (Islamnagar), Huzur-Tehsil, District-Bhopal, Madhya Pradesh, led to the recovery and seizure of 61.20 kg of Mephedrone (in liquid form) valued at ₹92 crore in the illicit market. In addition, 541.53 kg of raw materials, including Methylene Dichloride, Acetone, Monomethylamine (MMA), Hydrochloric Acid (HCL), and 2-Bromo, along with a complete set of processing equipment, were seized. Two individuals, including the chemist responsible for manufacturing Mephedrone, were apprehended while they were engaged in the illegal production process. This is the sixth clandestine Mephedrone factory dismantled by the DRI in the past one year. The DRI remains steadfast in dismantling illicit factories which manufacture narcotic drugs and also pursue their masterminds and the international syndicates involved.

For more information, you can access the GOI press release here:
<https://www.pib.gov.in/PressReleasePage.aspx?PRID=2157559>

4. Financial Inclusion is Government’s Key priority; Flagship schemes provide affordable insurance and health protection for all, including SC, ST, and OBCs.

The increase in Foreign Direct Investment in Indian insurance companies from 74% to 100% has been announced in the Union Budget on 1st February, 2025. To create universal and affordable social security system, especially for the poor and the under-privileged, the government of India has launched flagship insurance schemes such as: Pradhan Mantri Jeevan Jyoti Bima Yojana (PMJJBY) offers insurance coverage of Rs 2 lakhs to the people in the age group of 18-50 years in case of death of the insured, due to any reason, at an annual premium of Rs 436/-. Pradhan Mantri Suraksha Bima Yojana (PMSBY) offers insurance coverage to the people in the age group of 18-70 years for Rs. 2 lakhs in case of accidental death or total permanent disability and Rs. 1 lakh for partial permanent disability; due to accident, at a premium of Rs. 20 per annum.

For more information, you can access the GOI press release here:
<https://www.pib.gov.in/PressReleasePage.aspx?PRID=2157540>

5. CBIC extends due date for filing GSTR-3B for July 2025 to 27th August 2025 for GST payers in Mumbai City, Mumbai Suburban, Thane, Raigad and Palghar Districts.

The Central Board of Indirect Taxes and Customs (CBIC) has issued Notification No. 12/2025–Central Tax, dated 20th August, 2025, extending the due date for filing FORM GSTR-3B for the month of July 2025. Considering the incessant rains and disruption of public life in parts of Mumbai Region, the due date for

filing has been extended till 27th August 2025 for registered taxpayers whose principal place of business is located in the following districts:

- Mumbai City
- Mumbai Suburban
- Thane
- Raigad
- Palghar

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

<https://www.pib.gov.in/PressReleasePage.aspx?PRID=2158991>

6. DRI seizes 72 kg of hydroponic weed worth around Rs. 72 crore in a pan-India Operation named “WeedOut”.

In a pan India operation code named Operation “WeedOut”, Directorate of Revenue Intelligence (DRI) dismantled a syndicate involved in smuggling of hydroponic weed into India. In the late evening of 20th August 2025, simultaneous interception was made by officers of DRI at Krantiveera Sangolli Rayanna Railway station, Bengaluru, and Bhopal Junction. Thorough search of baggage of two passengers who had just boarded the Rajdhani train (22691) for Delhi, led to recovery of 29.88 kg of hydroponic weed at Bengaluru. In a coordinated action, 24.186 kg of hydroponic weed was recovered at Bhopal Junction from two passengers who had boarded the Rajdhani train on 19th Aug 2025 from Bengaluru. Meanwhile, associate mastermind of the syndicate was traced in New Delhi and proceeds of drug trafficking amounting to Rs. 1.02 crore was recovered from his possession.

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

<https://www.pib.gov.in/PressReleasePage.aspx?PRID=2159766>

MINISTRY OF CORPORATE AFFAIRS

1. IBC Boosts Ease of Doing Business and Asset Realisation; 1,194 companies successfully resolved under IBC enabling realisation of ₹3.89 lakh crore by creditors.

By offering a clear and time-bound framework for revival, the IBC has strengthened creditor confidence and encouraged both domestic and foreign investment. The IBC has played a pivotal role in improving the ease of doing business in India by introducing a faster and more structured insolvency resolution process maximising the value of assets, promote entrepreneurship, availability of credit and balance the interests of all the stakeholders. As of March 31, 2025, a total of 1,194 companies have been successfully resolved under the IBC framework. Through these cases, creditors have realised an amount of ₹3.89 lakh crore which is over 170% of the liquidation value and more than 93% of the fair value of these companies, as assessed at the time of admission into the IBC process. IBC has played a crucial role in improving the overall health of India’s banking sector. According to the latest RBI’s Financial Stability Report (June 2025), Gross Non-Performing Assets (GNPAs) have significantly declined, reaching a multi-decadal low of 2.3% at the end of March 2025. This reduction indicates a stronger, more stable banking system. The RBI’s Report on Trends and Progress of Banking in India for 202324 (released on December 26, 2024) highlights that SCBs recovered a total of ₹96,325 crore through various channels. Out of this, the IBC channel alone contributed a significant ₹46,340 crore, accounting for 48.1% of the total recoveries. The Government has undertaken six legislative amendments to the IBC and introduced over 100 changes to the regulations since its inception, to strengthen the insolvency resolution framework and enhance procedural efficiency thus minimizing the delays. Several initiatives have been taken to build the capacity of insolvency professionals (IPs). In FY 2024–25, the Insolvency and Bankruptcy Board of India (IBBI) conducted a series of workshops, webinars, and conclaves to enhance practical skills. It also collaborated with expert bodies like the World Bank, Indian Institute of Corporate Affairs (IICA) and International Finance Corporation (IFC) for training and research.

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

<https://www.pib.gov.in/PressReleasePage.aspx?PRID=2157539>

2. Multiple initiatives taken by the Government to simplify and facilitate the registration of start-ups, including in small and medium cities.

The Government of India has undertaken a number of steps to simplify and facilitate the registration of companies including start-ups throughout the country, including in small and medium cities.

Some of the important measures are as under:

A single integrated new web form called SPICe+ along with AGILE PRO-S has been deployed. This form provides eleven services related to ‘starting a business’ namely (i) Name Reservation, (ii) Incorporation, (iii) Permanent Account Number (PAN), (iv) Tax Deduction Account Number (TAN), (v) Director Identification Number (DIN), (vi) Employees’ Provident Fund Organisation (EPFO) Registration, (vii) Employees’ State Insurance Corporation (ESIC) Registration, (viii) Goods and Services Tax (GST) number, (ix) Bank Account Number, (x) Profession Tax Registration (Mumbai, Kolkata and Karnataka), (xi) Delhi Shops and Establishment Registration.

A Central Registration Centre (CRC) has been set up for name reservation and incorporation of companies & Limited Liability Partnership (LLP). The documentation process for recognition is simplified with self-certification. Recognition handbook and tutorials have also been developed and uploaded on Startup India portal for ease of navigating recognition process.

To promote startup recognition and to handhold entrepreneurs, workshops are held across States/UTs with support of State/UT nodal agencies for startups, and regional stakeholders such as incubators. The Ministry has introduced several digital initiatives to enhance transparency, efficiency, and quickness in service delivery for reducing compliance burden and enhancing user experience, a few are listed below:

- The Centre for Processing Accelerated Corporate Exit (CPACE) for centralized processing of voluntary closure of Companies/LLPs.
- The MCA21 V3 platform facilitates Ease of Doing Business, and has introduced web-based forms, enabling real-time validation of the data entered by stakeholders. To further support stakeholders, a live chat feature has been integrated into the helpdesk, providing real-time assistance and enhancing the overall user experience.
- The E-Adjudication system provides an end-to-end online platform for the processing of adjudication cases, ensuring efficiency and transparency.

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

<https://www.pib.gov.in/PressReleasePage.aspx?PRID=2158044>

3. IEPFA Opens Three Niveshak Seva Kendras in Hyderabad, Two more centres to be operational soon.

The Niveshak Seva Kendras have been set up to provide faster, easier and more accessible solutions to investors, particularly in matters related to unclaimed dividends and KYC/nomination updates.

Key services offered at the centre include:

- i. Direct facilitation of unpaid dividend transfers. (pending for 6–7 years)
- ii. Hassle-free updates of KYC and nomination details.
- iii. For Physical Folios: Submit ISR-1/ ISR-2/ISR-3 forms to update KYC. Once updated, all pending dividends will be credited.

iv. For Demat Accounts: Update bank details with your Depository Participant (DP) to receive unpaid dividends.

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

<https://www.pib.gov.in/PressReleasePage.aspx?PRID=2158540>

4. **Investor Education and Protection Fund Authority (IEPFA) to Organise "Niveshak Shivir" in Hyderabad to Empower Investors and Streamline Claims Process.**

The Investor Education and Protection Fund Authority (IEPFA), operating under the Ministry of Corporate Affairs, Government of India, in collaboration with the Securities and Exchange Board of India (SEBI), has announced the organisation of Niveshak Shivir in Hyderabad. The camp will be held on 30th August 2025 at Haryana Bhavan, 1-8-179, Sarojini Devi Road, Near HDFC Bank, Jogani, Ramgopalpet, Secunderabad, Hyderabad, Telangana – 500003, from 10:00 AM to 4:00 PM.

Following the successful pilot phase held in Pune earlier this year, IEPFA is now expanding this initiative to Hyderabad to further empower investors and streamline the claims process. The program aims to serve as a one-stop solution for resolving issues related to unclaimed dividends and shares, enhancing financial literacy, and providing direct access to investor services.

As part of this program, IEPFA will offer:

- Direct facilitation of unclaimed dividends held for six to seven years
- On-the-spot KYC and nomination updates
- Resolution of pending IEPFA claim issues

Niveshak Shivir is designed to eliminate intermediaries by enabling direct interactions between investors, companies, and Registrars and Transfer Agents (RTAs), while also providing an immediate redressal mechanism for investor grievances. Stakeholder companies with significant volumes of unclaimed dividend accounts will participate through dedicated kiosks at the event.

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

<https://www.pib.gov.in/PressReleasePage.aspx?PRID=2159907>

INSOLVENCY AND BANKRUPTCY BOARD OF INDIA

1. **BoI classifies Reliance Communications loan accounts as fraud.**

Reliance Communications Limited (RCOM) has disclosed that Bank of India has classified the loan accounts of RCOM, its subsidiary Reliance Telecom Limited (RTL), and several former directors as “fraud”. The classification is based on a forensic audit that found a diversion of funds and other non-compliance issues. RCOM, in a letter to the stock exchanges dated August 23, 2025, stated that it received two letters from Bank of India on August 22, 2025, which conveyed the decision. The bank’s action follows a forensic audit conducted by BDO India LLP. The audit report highlighted the diversion of Rs 350-crore loan, which was meant for operational expenditures but was instead invested in a fixed deposit. The audit concluded that this use of funds was a “non-compliance with sanction terms of the loan”. In its disclosure, Reliance Communications has contested the bank’s fraud classification, arguing that it is not legally tenable due to the ongoing Corporate Insolvency Resolution Process (CIRP). RCOM’s resolution professional has cited Section 14(1)(a) of the Insolvency and Bankruptcy Code (IBC), 2016, which imposes a moratorium on proceedings against a company undergoing CIRP. The company further noted that a resolution plan has already been approved by 100% of the committee of creditors, including Bank of India, and is currently pending approval from the National Company Law Tribunal (NCLT). “It is pertinent to note that Anil Ambani served only as a Non-Executive Director on the Board of RCom and resigned from this position in 2019, over six years ago.

He had no role whatsoever in the day-to-day operations or decision-making of the company. However, Mr. Ambani is being selectively singled out,” said the spokesperson.

For more information, you can access the article here:

[BoI classifies Reliance Communications loan accounts as fraud](#)

2. NCLAT upholds Rs 390-crore resolution plan for Neptune Developers.

The National Company Law Appellate Tribunal (NCLAT), Principal Bench in New Delhi, has dismissed two appeals filed by the Central Bank of India, upholding the orders of the Adjudicating Authority that approved a resolution plan for Neptune Developers Private Limited. The Central Bank of India had challenged two orders, dated January 21, 2025, and March 25, 2025, issued by the National Company Law Tribunal (NCLT) in Mumbai. The case, which involved two appeals, Company Appeal (AT) (Insolvency) No. 713 of 2025 and Company Appeal (AT) (Insolvency) No. 486 of 2025, centered on the Corporate Insolvency Resolution Process (CIRP) of Neptune Developers, a real estate company. The Central Bank of India, which had initiated the CIRP, holds an 11.83% voting share in the Committee of Creditors (CoC) but was a dissenting financial creditor, as it did not vote in favour of the resolution plan. The Rs 390-crore resolution plan, submitted by Shree Naman Developers Pvt. Ltd., was approved by the CoC with an 85.35% vote share on March 31, 2023. The Central Bank of India raised objections to the valuation of the corporate debtor’s assets, leading to the appointment of a third valuer by the Adjudicating Authority on January 21, 2025. Valuation Dispute and NCLAT’s Stance: The Central Bank of India argued that the third valuation report, which determined the liquidation value of the “Project Swarajya” at Rs. 11.08 Crore, was incorrect because it failed to value certain assets, specifically 23 KDMC Flats and 66 Barter Flats. However, the NCLAT noted that the third valuer, in their report, had acknowledged the 66 Barter Flats but did not assign them a value because they had been given to contractors in lieu of outstanding payments. The Tribunal found this approach to be non-perverse and acceptable.

The NCLAT’s judgment, delivered by Justice Ashok Bhushan, emphasized that the commercial wisdom of the CoC should not be interfered with by the Adjudicating Authority or the Tribunal. The court cited precedents from the Supreme Court, affirming that when a resolution plan is approved with the requisite majority, a dissenting financial creditor cannot challenge it.

For more information, you can access the article here:

<https://insolvencytracker.in/2025/08/21/nclat-upholds-rs-390-crore-resolution-plan-for-neptune-developers/>

MINISTRY OF LAW AND JUSTICE

1. The Income Tax Act, 2025.

Parliament received the assent of the President and published “The Income Tax Act 2025” on 21.08. 2025. An Act to consolidate and amend the law relating to income tax vide notification dated 21.08.2025.

For more information, you can access the GOI gazetter here:

<https://egazette.gov.in/WriteReadData/2025/265620.pdf>

RESERVE BANK OF INDIA

1. Survey of Foreign Liabilities and Assets of Mutual Funds – 2024-25.

The Reserve Bank released the results of the 2024-25 round of the survey of Foreign Liabilities and Assets of the Mutual Funds (MFs). The survey covered 45 Indian MFs (list in Annex) and their Asset Management Companies (AMCs), which held/acquired foreign assets/ liabilities during 2024-25 and/or in the preceding years. The information on face value and market value of units held by non-residents, unit premium reserve, other foreign liabilities and assets of MFs as at end of the financial year were collected under the survey. The external assets and liabilities of their AMCs were taken from the annual census on foreign liabilities and assets (FLA) of direct investment companies for the reference period 2024-25.

Highlights:

I. Mutual Funds (MFs):

- Foreign liabilities of MFs increased by 19.9 per cent during 2024-25 to US\$ 30.5 billion (at market value) in March 2025, due to the rise in units issued to non-residents.
- Overseas assets of MFs declined by 5.6 per cent and stood at US\$ 8.3 billion in March 2025, due to lower holdings of foreign equity securities.
- As a result, the net foreign liabilities of MFs increased to US\$ 22.2 billion in March 2025 from US\$ 16.6 billion a year ago.
- Non-residents of United Arab Emirates (UAE), the United States of America (USA), the United Kingdom (UK) and Singapore held the largest share in MF units, both in terms of face value as well as at market value.
- Over 95 per cent of the overseas equity investment of the MFs were concentrated in the USA, Luxembourg, and Ireland.

II. Asset Management Companies (AMCs):

- Foreign liabilities of AMCs increased by 16.8 per cent and stood at US\$ 7.5 billion in March 2025, on the back of higher inward direct investments.
- Residents in Japan, Canada and the UK together accounted for over 83 per cent of FDI among Indian AMCs.
- The overseas assets of AMCs increased marginally from their previous year's level and were largely held in Guernsey, Singapore and Mauritius

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

https://www.rbi.org.in/Scripts/BS_PressReleaseDisplay.aspx?prid=61042

2. 618th Meeting of Central Board of the Reserve Bank of India.

The 618th meeting of the Central Board of Directors of Reserve Bank of India was held today in Lucknow under the Chairmanship of Shri Sanjay Malhotra, Governor. The Board assessed the emerging global and domestic economic landscape, including the geopolitical and financial market developments and associated challenges. The Board reviewed the functioning of select Central Office Departments of the Bank and also of Committees of Central Board and the Ombudsman Scheme. The Board approved the nomination of Shri Indranil Bhattacharyya, Executive Director as an ex-officio member of the Monetary Policy Committee. Deputy Governors Shri M. Rajeshwar Rao, Shri T. Rabi Sankar, Shri Swaminathan J., Dr. Poonam Gupta and other Directors of the Central Board – Shri Nagaraju Maddirala, Secretary, Department of Financial Services, Ms. Anuradha Thakur, Secretary, Department of Economic Affairs, Shri Satish K. Marathe, Smt. Revathy Iyer, Prof. Sachin Chaturvedi, Shri Anand Gopal Mahindra, Shri Pankaj Ramanbhai Patel and Dr. Ravindra H. Dholakia – attended the meeting.

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

https://www.rbi.org.in/Scripts/BS_PressReleaseDisplay.aspx?prid=61074

3. Discussion Paper on Review of Monetary Policy Framework.

In May 2016, the Reserve Bank of India Act, 1934 was amended to provide a statutory basis for the implementation of the flexible inflation targeting (FIT) framework in India. As per Section 45ZA of the RBI Act, 1934, the Central Government shall, in consultation with the Reserve Bank, determine the inflation

target in terms of the CPI, once in every five years. The Central Government initially notified the inflation target with the tolerance band on August 5, 2016, for the period 2016-2021. In the first review conducted in March 2021, this target was retained for the subsequent five years till March 2026. A second review of the target is now due by end-March 2026. In this context, a Discussion Paper is being placed on the RBI website today. Comments are invited on the questions raised in the Discussion Paper, from stakeholders and members of the public by September 18, 2025, through email.

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

https://www.rbi.org.in/Scripts/BS_PressReleaseDisplay.aspx?prid=61067

You may send your suggestions at niyati@asalegal.in

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